

PD-ABQ-654

INTERIM EVALUATION OF  
THE SUPPORT FOR AGRICULTURAL  
RESTRUCTURING IN ALBANIA  
(SARA) PROJECT

Prepared for  
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The evaluation team thoroughly enjoyed its stay in Albania and the opportunity provided to gain insights into Albania's development progress in a free-market environment. The SARA project is playing an important role in that endeavor. The team would like to express its best wishes to all concerned for its success.



## ACRONYMS

### ACRONYM

### MEANING

ABDs	Doctoral students who have completed all but the dissertation requirements for their Ph D degree
AFADA	Albanian Fertilizer Dealers' Association
A I D	Agency for International Development
AUT	Agricultural University at Tirana
CGIAR	Consultative Group for International Agricultural Research
DOP	Directorate of Privatization (MOAF)
DOS	Directorate of Statistics
EC	European Community
EC/PHARE	EC Assistance Program for Eastern Europe
EOPS	End of Project Status
FAO	Food and Agricultural Organization of the United Nations
FY	Fiscal Year
GDP	Gross Domestic Product
GOA	Government of Albania
IFDC	International Fertilizer Development Center
LOP	Life of Project
LTC	Land Tenure Center (University of Wisconsin)
MOAF	Ministry of Agriculture and Food
MOE	Ministry of Education
MOFE	Ministry of Finance and Economy
NASS	National Agricultural Statistics Service (U S Department of Agriculture)
NGO	Non-Government Organization
SARA	Support for Agricultural Restructuring in Albania
SME	Small and Medium Enterprise
SOE	State-owned Enterprise
TA	Technical Assistance
UNDP	United Nations Development Program
USAID	United States Agency for International Development
USG	United States Government
VOCA	Volunteers in Overseas Cooperative Assistance
VPI	Virginia Polytechnic Institute and State University

(E)

## EXECUTIVE SUMMARY

### SUMMARY

The evaluation team concluded that the SARA Project is basically on course after recovering from some serious management personnel and implementation problems. However, in some important areas it is not yet generating the full degree of impact envisioned at the beginning of the project.

### BACKGROUND

This interim evaluation of the SARA Project was carried out during September - October 1996. The evaluation team consisted of an agricultural economist, an agribusiness specialist and a development generalist who was the team leader. The scope of work for the evaluation is shown in Annex 1 of this report.

The SARA project is composed of four major components. The first component relates to the development of land markets in Albania and is being implemented by the Wisconsin Land Tenure Center (LTC). This component is not being evaluated. The remaining three components, which are being implemented by a consortium of consulting companies headed by WINROCK International, are the focus of this evaluation. These three components are the following: Component One: Policy and Agricultural Research, Component Two: Agribusiness Development and Component Three: Agricultural University Strengthening. Each component is designed to produce from 5 to 9 major outputs, with a total of 20 outputs expected from all three components. Each of the three major components contains three sub-components (see Figure II Annex 4). Approximately \$14 million has been authorized for the life-of-project (LOP) funding for the three components. The project is scheduled to end on September 30, 1998.

After the project got underway, the focus of the Agribusiness Development component changed from that of helping the Albanian Government privatize agribusiness enterprises to helping private agribusiness enterprises grow into viable business entities. In August 1996, the WINROCK contract was amended to reflect this change and to modify its required outputs.

### GENERAL CONCLUSIONS

#### Project Goal Design and Implementation

- a The project's goal of reestablishing food security should now be thought of as the achievement of long term food self-reliance commensurate with an increase in national income.
- b The project design was very complex, with a component implementation and management structure that would have been difficult to execute under the best of circumstances.

- c During its first two and one-half years the project was plagued by a series of contractor management lapses that were resolved only recently. With a new project implementation team in place the project can recover lost momentum.
- d Coordination is a major problem within and external to the SARA project. There is little contact among the various agribusiness development institutions in Albania. There is a need and an opportunity for USAID to assume the role of catalyst to create these linkages and to provide the leadership so that the process may continue.

### Progress to Date Against Major Objectives

The SARA project is making good progress in achieving most of the twenty output objectives under the three components evaluated.

- a The Policy and Agricultural Research component has i) made an important contribution to policies on wheat production and price levels for wheat and bread, ii) helped establish a statistics and market information system within the Ministry of Agriculture and Food (MOAF), iii) promoted collaborative research between the MOAF and pedagogues from the Agricultural University of Tirana (AUT) on farm income, farm costs and trade and tariff policy iv) produced a seven-volume National Agricultural Research Master Plan that was recently approved by the MOAF which provides a blueprint for the reorganization of agricultural research and the establishment of an extension service.

Development and dissemination of improved technologies under this component have been limited.

- b The creation of the Agribusiness Center (ABC) to provide services under the Agribusiness Development component has had a major impact on the means of project implementation and on local implementation costs. While ABC has assisted only a few companies (10 - 15 so far), its assistance has been quite important to them. ABC's policy of working with "model" companies within only a few subsectors has limited its impact.

With the creation of the ABC, the original project emphasis on formal entrepreneurial skills training shifted to on-the-job training for agribusiness operators.

A number of trade and investment linkages have been created between Albanian companies and their counterparts in the United States as well as in Central and Western Europe. This aspect of the project is progressing satisfactorily. Required outputs are being met.

- c Under the Agricultural University Strengthening component, AUT is fulfilling 80 percent of its outputs but with varying degrees of effectiveness. Management disruptions have delayed progress in curriculum development and faculty research.

- d The conclusions about SARA training programs are

The obligation to train at least 500 agribusiness people has been greatly exceeded on a numerical basis. However, the actual training falls short of original expectations in terms of type of training and its long range impact.

Long-term training may eventually prove to have the greatest impact, because individuals with advanced training and US-caliber degrees in economics and statistics are rare at both the MOAF and the AUT.

#### Main Areas of Concern

- a The limited impact and lack of sustainability of the Agribusiness Center is of great concern.
- b The extent to which the Policy and Institutional Analysis sub-component activities can be fully institutionalized within the MOAF is also of concern.
- c Another concern is the extent to which the MOAF Service of Statistics and Information (SSI) can function without outside advisors. Also the demand for statistical information within the Ministry and the public sector in general is uncertain.
- d A special effort will be required if the AUT Component's objective of the full implementation of curriculum reform is completed by the end of the project.
- e Under the present conditions it is doubtful that the required output of reaching 3 000 farms with improved technology will be met, unless a special program is devised for this specific purpose.
- f Sustainability and recurrent cost issues cut across all aspects of the project. This seems particularly acute for the ABC, SSI and for AUT.

#### RECOMMENDATIONS

- 1 Suggested Mid-Course Corrections in the SARA Project

- a Project Design

Refine the overall goal statement of SARA project from "reestablishing food security" to for example "achieving food self-reliance by increasing national income"



b Agricultural Business Center (ABC)

To ensure the sustainability of ABC it should be attached to an organization such as AUT

Should this recommendation prove infeasible, or otherwise not be accepted it is recommended that immediate action be taken for an orderly phase-out of the ABC's business development services

c MOAF's Agro-Industry Directorate

The Agribusiness Development component and the Policy component should work together to help the Agro-Industry Directorate define its role in the promotion and development of private agribusiness in Albania

d Policy and Agricultural Research Component

Policy and Institutional Analysis Sub-component

Prioritize tasks to closely anticipate the needs of MOAF decision makers, and thereby become highly important to them

Gain high visibility and prestige for policy analysis through clear, strong policy briefing memos and bulletins supported by publications of comprehensive analyses

Stress the development of local staff through greater collaboration with the faculty at AUT, on-the-job training and applied policy analysis seminars or workshops with AUT and the University of Tirana faculty along with donor representatives and outside experts

Follow-up policy recommendations with implementation plans for those policies

Track and document the real performance gains from policy implementation

Technology Development and Dissemination Sub-component

Develop an action plan for developing and disseminating environmentally sound productivity-enhancing technologies generated as a result of the SARA Project to at least 3 000 farm families

Agricultural Statistics and Market Information Sub-component

Phase-out direct technical assistance during the final year of the project, while continuing to monitor outputs to promote and assure counterpart proficiency and sustainability

Prepare a handbook with documentation on procedures roles and specialized knowledge to ensure continuity of results with a changing staff

Create a constituency for survey results by preparing attractive, user-friendly reports summarizing key areas of data gathered

Determine how the recurring costs of surveys will be covered, after the project ends

e Agriculture University Strengthening Component

Clarify how agribusiness training will be carried out, potentially by merging the ABC's activities with AUT

Elaborate and implement a strategy to assure university acceptance of proposed curriculum changes before the project ends

Clarify with AUT administration how recurrent costs for computer labs print shop and the library will be paid after the project ends

Increase the pace of development and completion of collaborative research projects to ensure completion of project outputs

f Project Management and Monitoring

USAID should task the contract implementors to start now to develop phase-out plans for each major component and sub-component of the project

The contractor should initiate an improved system of reporting and tracking the relationship between project goals, purpose, expected results, component outputs and overall project impact

The impact indicators and benchmarks recently adopted by the project Steering Committee should be integrated into the project monitoring and reporting systems  
A method should be developed and implemented to assess the impact of project training programs, particularly for short and long term training overseas

It is recommended that USAID collaborate with the contractor's Chief of Party to clarify his role, responsibility and authority vis-a-vis the subcontractors The role of the project Administrative Office should also be clarified in terms of its control over the financial operations of the subcontractors

It is recommended that the amount of substantive communication between the USAID project manager and the Chief of Party be increased

## 2 Suggested Areas for Future USAID Support to Albanian Agriculture

- a Development of Agricultural Credit
- b Assistance to Agricultural Marketing
- c Development of Agribusiness

Further development of the MOAF Agro-industry staff and its program

Further support to ABC at AUT, if that move were to take place

Encourage the dissemination of agricultural technology by agribusiness dealers with particular attention to seed, pesticide and greenhouse technologies

Help develop a private seed industry in Albania

## A BACKGROUND

### 1 Scope and Methodology of the Evaluation

A detailed scope of work for the interim evaluation of the Support for Agriculture Restructuring Agriculture in Albania, normally referred to as the SARA Project is contained in Annex 1 of this report. The SARA project is composed of four major components, implemented under two major contracts: the first contract is with the Wisconsin Land Tenure Center (LTC) which is implementing the Land Market Development Component and the second contract is with WINROCK International which with its sub-contractors is implementing the three remaining project components.

The evaluation team, composed of an agricultural economist, an agribusiness specialist, and a general development consultant, was asked to evaluate only those components implemented under the WINROCK consortium. In this context, the team was asked to focus its work on ten major areas and to analyze the past performance and progress of the project in meeting its objectives, to suggest areas where mid-course corrections in project design and implementation are needed, and to suggest areas and activities that would be appropriate for future USAID efforts to assist Albania restructure and further develop its agriculture sector. (See pages 2 and 3 of the scope of work for the evaluation in Annex 1) The first eight tasks are addressed directly in sections 1 - 8 of Part B - FINDINGS, while the remaining tasks are addressed in Part D - RECOMMENDATIONS.

The methodology followed by the team was straightforward. The scope of work did not permit or require consultation with USAID and contractor officials at the headquarters level in Washington or at WINROCK's headquarters in Arkansas. Thus, all the team's work was concentrated in Albania. Team members spent the first two weeks conducting an exhaustive review of project files and documents as well as interviewing as many individuals as possible who are associated with or benefit from the SARA project. Those interviewed included key staff members of USAID/Tirana, contract implementors, advisors and counterparts, project beneficiaries and as many other donor officials as were available. The team's final week in Albania was spent in giving the USAID Mission and the contractor's Chief of Party an oral briefing of its initial findings and recommendations, completing interviews and data gathering and finalizing a draft report.

The contractor's Chief of Party as well as the heads of two of the three sub-contractors were replaced during the first half of 1996. These changes severely limited the team's ability to gain in-depth knowledge of project management and implementation during the first two years of the project.

The team also became familiar with the Wisconsin Land Tenure Center's work on land markets in view of this organization's possible linkage with future agricultural development in Albania.

A list of people contracted and documents reviewed are shown in Annexes 2 and 3 respectively.

## 2 General Trends in Albania's Agricultural Sector, 1992-1996

The economic crisis Albania experienced in the aftermath of the collapse of its command economy in 1990-1991 resulted in a temporary, but drastic contraction of agricultural production, which had previously been carried out by a system of production cooperatives and state farms. As cooperatives were disbanded and state farms looted, 65% of land was left uncultivated and infrastructure was severely damaged. Some village populations became totally dependent on foreign aid, and many rural residents left the country, mostly to Greece. Agricultural production dropped 24% between 1989 and 1991, and with imports still relatively scarce, food security<sup>1</sup> was threatened for broad sectors of the population. Accompanying this breakdown was the collapse of the old agro-industrial sector, including processing facilities for sugar beets, olive oil, sunflower oil and cotton, as well as for fertilizer and seed production.

In a unique, spontaneous process, villagers and workers on the cooperative and state farm lands redistributed farmland on a rigorously egalitarian basis during 1991 and 1992. Given the country's relatively high rural population and small arable land area, this redistribution resulted in very small landholding for Albania's 420,000 farm families (composed of 2.4 million people). Average farm size is approximately 1.3 hectares, and most farms possess little or no infrastructure or capital resources. Simultaneously, prices were freed to be set by supply and demand. The agricultural sector responded quickly with growth of a cumulative 63% between 1992 and 1996. With industrial collapse and stagnation, agriculture is now Albania's largest sector, contributing 57% of GDP and accounting for 58% of employment.

But the new growth in agriculture is starting from a low level of productivity, and is mostly concentrated in livestock production while agro-industry has been slower to respond. Households operating very small production units in underdeveloped markets have tended to adopt a risk-averse quasi-subsistence production strategy combining food crops and small scale animal husbandry. In 1994 only 14.2 percent of farm output was marketed (although 75% percent of farms marketed some production, mostly animal products, while the remainder was destined for home consumption or animal feed). While average farm income has risen, posting a 45% increase in gross revenue during 1994-1995, average gross farm income was still only \$245 dollars in 1995. Furthermore, the fastest income gains have accrued to farmers living near cities and towns whose market possibilities have allowed them to increase incomes more rapidly than farmers in more remote areas.

In terms of short term food security, the recent changes in Albanian agriculture have permitted most rural residents to adopt a subsistence mode of existence with a small cash income from livestock or dairy products, in many cases supplemented by pensions and remittances from relatives abroad. Those who have been able to take advantage of new market opportunities have seen incomes increase quickly. Those who have not been able to do so, particularly the

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<sup>1</sup> Food security is defined as the ability of people to obtain sufficient food to meet basic nutritional requirements, either through the market or from their own production.

approximately 12.5% of farmers who live in remote mountainous regions and have no marketable surplus or are unable to market what they have, confront a precarious existence and their food security is questionable.<sup>2</sup> Those living beneath the poverty line in terms of income, but with means to produce much of their own food, do not represent an immediate food security problem, but potentially could if crops failed. A third group whose food security is threatened by the current food availability and income situation consists of the approximately 185 000 urban poor who can neither afford to buy sufficient food, nor produce it.<sup>3</sup> Imports have erased problems of food availability, but income growth is necessary to give the poor the purchasing power to reliably obtain sufficient food.

Albania has thus seen a return to agricultural growth, but it is a growth pattern characterized by producers operating with extremely low resource bases and incomes in a quasi-subsistence system. Short term food security concerns have diminished for most groups, although they have not been eradicated, and safety nets for vulnerable groups must be maintained and strengthened. Long term food security, however, is a function of overall national income and its distribution, and is better expressed by the term food self-reliance.<sup>4</sup>

Given the collapse of industrial production, and the fact that sectors like light manufacturing and tourism are still incipient, agriculture in Albania must play a leading role in contributing to this national income growth process. Rapid and broadly-based agricultural growth in Albania is critical to a) raise rural incomes to increase national savings and effective demand for domestic production, b) substitute for imports, thus lowering food prices and making funds available for domestic investment and c) stimulate agro-industry and related sectors, generating employment and establishing upstream and downstream linkages for industrial and service sector development and leading toward export growth.

But while agricultural production is growing and short term food security concerns are focused on specific vulnerable groups, the sector is still operating far beneath its capacity. Idle land, the small percentage of marketed production, unused processing capacity and the predominance of imports of products that can be cheaply produced domestically all point toward huge sectoral inefficiencies.

Growth in agriculture continues to be constrained by a number of factors, chief among which are the deteriorated condition of basic infrastructure, particularly irrigation systems and roads; inadequate input markets; the lack of a vigorous land market to facilitate the consolidation of land parcels into more efficient farm sizes; constraints on short term and investment credit; the lack of efficient marketing systems, and constraints on technology development and dissemination,

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UNDP 1996 Albania Human Development Report

FAO 1996 Special Programme For Food Security in Albania

Food self-reliance means the domestic production of commodities in which the country has comparative advantage and the export of such commodities to generate the foreign exchange needed to purchase imports of food which cannot be locally produced in a cost-effective manner.

particularly in seed and pesticide. If agro-processing and agricultural exports are to play their expected role in fostering downstream linkages from agricultural production, generating employment substituting for imports and generating new exports, participants in these activities will also need to overcome credit constraints, infrastructural inadequacies and issues of distribution and quality control.

The SARA project thus operates in a context of rapid agricultural change amidst severe constraints. Although short term food security has become progressively less of a problem for broad sectors of the population during the period 1992-1996, the importance of agricultural modernization to long term national income growth and therefore long term food self-reliance has become even more clear from the beginning of the SARA project, as industry has remained in a state of collapse. Thus the project's originally stated objective of reestablishing food security now needs to be thought of in the broad, long term sense of fostering private sector-led agricultural development to lead a process of raising national income across all sectors.

### 3 SARA Project Goal Purpose and Structure

#### a Goal and Purpose

The SARA project was designed in 1992 as the cornerstone of USAID's efforts to help Albanian restructure its agricultural sector. It was planned that the project would complement the work already underway by the International Fertilizer Development Corporation (IFDC) to help assure adequate supplies of imported and domestically produced fertilizer, and to privatize the fertilizer market. The project was conceived during a period of economic collapse and chaos in which former production and distribution systems under the command economy disappeared and new systems under a market-oriented economy had not yet emerged. This was particularly true in the agriculture sector and was the basis for a deep concern that food shortages would result during the transition.

Thus, food security became the overall goal of the project. This was complementary to the broad-based, market-oriented economic growth program supported by USAID and other multi-lateral and bilateral donors.

Within this context the purpose of the project was to "strengthen Albania's public and private sector capability to develop market-oriented and environmentally sound policies, institutional arrangements and technological and managerial innovations in the agricultural sector which would increase the availability of food supplies and the people's access to such supplies."

#### b Project Objectives and Structure

The SARA project as originally designed and implemented contained four major components. The first of these was the LTC Component which is not included in this evaluation. The remaining three components, which were included in the original Contract Scope of Work for the

WINROCK consortium, are the following Component One Policy and Agricultural Research Component Two Agribusiness Development, and Component Three Agricultural University Strengthening Each of these three major components had three sub-components with each sub-component designed to produce and achieve from 5 to 9 major outputs The desired end of contract status and the sub-component outputs were spelled out in some detail in the Contractor's Scope of Work

The designers added a fourth element which was the "Coordination of Components 1, 2 and 3", which described the need for the integration of the efforts of the three components, as well as the need to coordinate with other relevant USAID activities, various GOA Ministries and other donors Effective coordination was expected to pave the way for a smooth, harmonious and synergistic implementation process The responsibility for project coordination was lodged with the contractor's Chief of Party

In August 1996 WINROCK requested a contract amendment to change the original project design and the contractor's scope of work The amendment changed the focus and output structure of the Agribusiness Development component Under the original design, this component was to have focused on six major outputs The first three outputs were to have resulted from the privatization of agro-industries operated by the Ministry of Agriculture and Food (MOAF) The remaining three outputs focused on training, establishing an information exchange between albanian and U S agribusiness firms and promoting increased trade, investment and joint ventures between Albania and the United States

The first three component outputs were revised to reflect the situation when the project began that most agro-industries had already been privatized by the Albanian Government prior to the beginning of the project, and to shift the focus of the Agribusiness component to that of assisting private agribusiness firms within high-priority commodity subsectors Figure I, Annex 4 shows the changes in the outputs required from the Agribusiness component

#### c Implementation and Monitoring Structure

With the exception of the LTC Component the SARA project is being implemented under a contract with WINROCK International WINROCK is the prime contractor and is responsible for the Policy and Research Component Three subcontractors are responsible for different activities on the other two components Virginia Polytechnic Institute and State University (VPI) is implementing the Agricultural University Strengthening Component The International Fertilizer Development Corporation (IFDC) provides the agribusiness management training required under the Agribusiness Development Component and is also implementing the Agricultural Statistics subcomponent RONCO Consulting Corporation is responsible for two subcomponents within the Agribusiness Development Component These are the US Agribusiness Partnership and ABC's business development activity



The project design requires the establishment of a Steering Committee, chaired by the Minister of Agriculture, or his designee. The primary functions of this Committee are to establish indicators for tracking progress and impact, to make decisions on policy issues and annual work plans and to ensure the coordination of project efforts with the AUT and other GOA entities. The contractor is required to propose impact indicators for the review of the Steering Committee and to develop a monitoring and evaluation system that provides for regular monitoring of project activities. In addition to internal monitoring and evaluation, the project design requires at least two external evaluations. The Contract Scope of work also calls for the development of annual work plans and quarterly progress reports.

#### d The Need for a Map

The evaluation team found the project component, management and implementation structure quite complex and as a result, developed a graphical layout to help understand its structure. The layout is shown in Figure 2, Annex 4. A matrix of project objectives is shown in Figure 3, Annex 4.

## B MAJOR FINDINGS

In the sections that follow, the team presents its major findings. Sections B 1 through B 8 address the first eight questions presented in the evaluation team's scope of work (SOW). It should be noted that Sections B 2 through B 6 not only respond to questions posed in the team's SOW, but also they are directly related to the end of project results that must be produced by the contractor under his SOW. These expected results are tracked and reported in the contractor's quarterly reports.

### 1 Development of Public Sector Policy Analysis Formulation and Implementation Capacities

#### Overview

The original project documentation for the SARA project identified "informational policy and institutional constraints" as inhibiting the private sector from "filling the vacuum left by the public sector in the dismantling of the command economy." It further pointed to "a serious knowledge gap" in terms of the GOA's capacity to allocate resources, formulate legal and policy frameworks and encourage the development and adoption of productivity-enhancing technologies. The specification of these needs led to the designation of a Policy and Agricultural Research component within the SARA Project, whose end of project status is to be that, "Public Sector capacity to undertake policy research, analysis and formulation, and to implement such policies is strengthened." Achievement of this output was broken up into three subcomponents, entitled, (i) Policy and institutional analysis sub-component, (ii) Technology development and dissemination sub-component and (iii) Agricultural statistics and market information systems sub-component.

This section of the report deals with the policy and institutional analysis and statistics and market information systems subcomponents

Public sector policy analysis, formulation and implementation activities are carried out by a variety of institutions and actors in the Albanian government. In the Ministry of Agriculture, these functions are concentrated in the Economics and Finance Directorate (currently being restructured into the Economic Development Directorate and the Finance Directorate) and the Service of Statistics and Information (SSI). The capacity to analyze, formulate and implement policies based on a clear and quantitative understanding of likely economic and social consequences, while superior in the cases of a few individuals and being developed in several others, is still not broadly or deeply diffused throughout the Ministry. On the other hand, largely with the help of SARA technical assistance, the capacity to efficiently and reliably gather relevant agricultural and agro-industrial statistics appears to be increasingly shared by a relatively wide group of professionals within these departments.

The Policy and Institutional Analysis subcomponent of the SARA project, implemented by WINROCK International, has focused directly on collaborating with the Ministry of Agriculture to develop its policy formulation and implementation capabilities, specifically in the Policy Analysis and Rural Development Sectors of the Economics and Finance Directorate (these Sectors are currently being restructured into the Economic Development Directorate). The Agricultural Statistics and Management Information Systems (MIS) subcomponent managed by IFDC, collaborates with the Service of Statistics and Information in the Ministry.

Policy formulation and implementation are not as advanced at this point in the life of the project as data gathering and analysis. In general, the project has had success in establishing systems and preparing professionals in the areas of agricultural sector data gathering and management, and to a lesser degree in policy analysis. Both the policy advisory and MIS subcomponents have played important roles in the training of staff and the institutionalization of timely, systematic and statistically valid methods of obtaining and manipulating data of interest and use to producers, agribusiness and the policy community.

#### a Policy and Institutional Analysis Sub-component

For effective policy implementation, the meaning of raw data must be interpreted into implications and likely consequences, filtered through the screen of societal goals and strategic objectives and translated into meaningful action or restraint. In this area of policy analysis formulation and implementation the project's contribution to developing that capacity has had significant success with respect to achieving its outputs but can still progress even further over the remaining period of the project.

The outputs expected from this subcomponent are

- 1) Analysis and formulation by Albanians of policies which address priority sectors and technological issues affecting food security and the agricultural restructuring process
- 2) Adoption and effective implementation of project-generated policy recommendations
- 3) Increased agricultural production and market output due to adoption of improved policies generated from project analysis
- 4) The design and implementation by Year 2 of a cost effective agricultural market information system

#### Accomplishments

In the first two years of the project, the policy advisory component has, in one significant commodity subsector, carried out analysis and policy formulation activities which directly resulted in the implementation of recommendations. This experience the anticipation of wheat shortfalls based on market analysis, followed by forceful communication of the implications of findings to decision-makers and clear recommendations for action, resulted in timely importation of wheat stocks and the eventual removal of a ceiling price for bread. It is a notable success which overcame political and bureaucratic myopia and helped avert a possible social and political disaster.

The work in the wheat sector is an example of the full cycle of the policy process: 1) identification of a priority area of analysis, 2) formulation of alternatives and their clear communication to decision makers, and 3) implementation of recommended policy measures. Some of the analytical inputs to the process—specifically wheat/flour market outlook reports and a flour mill cost model developed by the project—have also helped at least one flour mill to obtain financing, a valuable positive externality of the policy research process.

The other main accomplishments of the Policy and Institutional Analysis subcomponent provide the foundation for this policy process in other areas, but until now they have not led to clear-cut policy formulation and implementation. These accomplishments are

- 1) The development and initial implementation of a plan for restructuring the Economics and Finance Directorate
- 2) A workshop program for district and commune level economics personnel of the Ministry of Agriculture and Food focused on marketing and agribusiness

- 3) Three collaborative research projects between the MOAF and pedagogues of the AUT on farm income, farm costs and trade and tariff policy, none of which has so far published results
- 4) An on-going consumption survey
- 5) A descriptive report on the structure and trends of Albanian agriculture
- 6) The establishment of a market information system (now transferred to the Service of Statistics and Information)

In spite of these efforts many questions of advisable policy direction--in rural finance, input supply, marketing and distribution, regulatory structure, trade, import substitution and export promotion, and social and environmental protection--remain unanswered. There is a noticeable lack of a comprehensive strategic plan for agricultural development in Albania which can serve as a basic guide to policy planning and future decisions. Policy priorities and specific options have not been systematically defined by the MOAF, which has only published broad outlines of its policy direction.

Although the Ministry has set forth its key policy directions in general terms, the translation of these into concrete courses of action has lagged behind. The project implementation team and its counterparts while moving ahead with projects that will contribute to further specifying these directions, has so far not synthesized these efforts into a systematic approach to prioritizing and enacting policy change. It has not boiled down its analysis into a set of essential, easily grasped recommendations, which can be absorbed by non-economists. Finally, as noted, the institutionalization of policy formulation and implementation capacity among a core group of highly qualified individuals appears incomplete in the Economics and Finance Directorate (being restructured into the Economic Development Directorate), raising questions about the impact of this Directorate after the departure of the SARA long term advisor.

#### Problems and Constraints

Several factors, some of which have been beyond the control of the project, have contributed to the current situation.

- 1) Two key Ministry staff have left their positions in policy analysis during the project's first two years and remaining staff are in some cases not strongly qualified or experienced. The head of the Rural Development Sector is currently undergoing long term training at Virginia Tech and will be returning near the project's end, however, which will be a significant contribution to strengthening the Directorate's human resource capacity.

- 2) The Economics and Finance Directorate has been heavily occupied during the first two years of the SARA project with the privatization of state farms and agroindustries, leaving less time and energy for policy formulation and implementation in other areas. The current restructuring, which separates the Economic Development Directorate from the Finance Directorate, is an important step toward addressing this constraint.
- 3) A number of basic research projects, in particular a consumption survey and a rural income survey, are still in the data gathering or processing phase and have not yet generated a sufficient data base to complete the policy formulation and implementation phases of the process.
- 4) There is a lack of institutionalized procedures (e.g. regular briefing memos or seminars with expert presentations) to position the Economics and Finance Directorate (and subsequently the Economic Development Directorate) as a high visibility, high prestige source of intellectual leadership on policy issues.

### Conclusion

All of these limiting factors can be overcome in the remaining life of the project, holding out the promise for higher impact from this subcomponent, both in human resource development and policy implementation. However, greater emphasis will need to be placed on institutionalizing the process of drawing clear conclusions from data and communicating the policy relevance of those conclusions to decision makers. These recommendations will have maximum impact if they are accompanied by implementation alternatives and plans. Finally, in order to meet Output 3 (increased agricultural production and market output), it will be necessary to document the impact of policy changes deriving from project-sponsored analysis and recommendations.

### b Statistics and Market Information Systems Subcomponent

#### Overview

At the time of the project's inception, data collection activities within the MOAF were weakly developed. In the previous regime, the small number of production units in the agricultural sector had permitted straightforward collection of data on a census basis to monitor inputs and outputs. The rapid appearance of 420,000 new farm units in 1991-1992 made this approach obsolete. Building on initial national survey efforts begun by IFDC, the Statistics and Market Information subcomponent of the SARA project has worked to strengthen the agricultural statistics gathering capability within the MOAF in order to provide timely and accurate data to producers and decision-makers.

To achieve the end of project result of strengthening public sector capacity to undertake policy research, analysis and formulation, this subcomponent must produce the following outputs

- 1) Implement agricultural sampling surveys three times annually beginning in year 2
- 2) Design and implement by Year 2 a cost-effective agricultural marketing information system
- 3) Provide on-the-job training to at least 100 enumerators and data base managers
- 4) Provide short term US and third country training of at least 34 MOAF analysts and long term training of at least 4 MOAF professionals (applies to all subcomponents)

#### Accomplishments

Toward the achievement of these outputs, project activities in this area to date have led to the establishment of

- 1) A weekly commodity price information system,
- 2) a twice-annual national agricultural survey based on an updated area frame,
- 3) a quarterly agro-industrial survey, and
- 4) a quarterly livestock survey

The subcomponent has also accomplished a variety of training activities which are discussed in section B 7 of this report

It should be pointed out that currently actual performance deviates from the specified output of three national agricultural surveys per year, since only two surveys are made annually. However this is consonant with the agricultural calendar and is entirely realistic in terms of data gathering and processing

#### Problems and Constraints

The data gathered and disseminated through these methods constitute the foundation for informed and systematic formulation of policy alternatives and their implementation. While the price information system is cheap to operate and appears quite sustainable in the future, there is some cause for concern about the financial sustainability of the national agricultural surveys whose recurrent costs in terms of printing, transportation and computer upkeep have thus far been paid for by the project. Budget cuts in the MOAF, moreover, threaten both these costs and the

availability of trained staff (field enumerators) in the future. No direct budget item for the national agricultural surveys exists. It appears important that the project build a demand for its products by issuing attractive user-friendly summary outputs on a timely basis and distributing them throughout the Ministry and to other interested parties. As there is an audience for the Services data, some of these expenses may be recoverable through fees for published reports or other services.

Both long term and short term training has led to a professionalization of the staff of the SSI, and their capacity to continue to implement and manage the surveys appears high, although full self-sufficiency has not yet been achieved. Turnover is high in the SSI, which indicates that there is a need for the preparation of procedural manuals on all aspects of operations. Survey efforts still suffer from relatively large variances in many estimates, but this is not unusual in a new survey instrument. The component is contributing information of value to the country's economic development, and with attention to continued staff development in anticipation of the cessation of project technical assistance, and attention to financial sustainability, it should be able to continue to do so over the long term.

### Conclusion

The project goal of strengthening public sector capacity to undertake policy research, analysis and formulation, and to implement those policies, is being met by the work in these two areas. In the Policy and Institutional Analysis sub-component, noteworthy success in wheat policy has been achieved which can serve as a model for further work in progress. There is reason for concern, however, about 1) prioritization of policy analysis activities and positioning of the analysis vis-à-vis decision-makers, 2) the deficiency that the circle of analysis/formulation and implementation is not being fully brought to closure in several areas and 3) the limited depth of human resources in the related counterpart offices. There is also concern that 4) the impact of policy changes is not being monitored and documented.

The Statistics and Market Information Systems subcomponent is experiencing a relatively high degree of success. There is concern about future sustainability, however, in terms of human resource capacity, documentation of procedures and institutional knowledge and financing, that could jeopardize the work done to date.

## 2 Progress toward Coordinated and Collaborative Development and Dissemination of Agricultural Technologies

### Overview

When the SARA Project was conceptualized it was apparent that technology in Albania was obsolete. Farmers knew little about modern agricultural technology and farm management principles. Consequently, it was planned that the SARA Project would produce new means of developing and disseminating agricultural technology with emphasis on a private sector-led

technology market. Specifically, it was expected that the project would devise ways of bringing foreign technology to Albania as well as facilitating in-country technology development which would be disseminated under cost effective methods through linkages between the private sector, AUT and MOAF.

The Policy and Agricultural Research component of SARA must produce three outputs related to technology generation and dissemination: a) Evaluate agricultural technology needs in Albania and screen and adopt appropriate technologies which could be imported, b) develop an action plan for the dissemination of research findings and agricultural technology with the involvement of the private sector and c) ensure the adoption by some 3,000 farm households of sound, productivity-enhancing technologies generated by the project.

### Accomplishments

In the first quarter of 1995 a seven-volume National Agricultural Research Master Plan developed by the SARA Project was presented to MOAF for review, approval and implementation. The Master Plan a) recommends national research priorities, b) assesses all agricultural research facilities in Albania, c) recommends an organizational structure and qualifications of key staff positions, d) develops a preliminary budget and suggests sources of financing and e) presents a plan for implementation.

The Plan recommends linkage with a number of international research centers, most of which are supported by the Consultative Group for International Agricultural Research (CGIAR). It also recommends the creation of an Extension Service within MOAF, whose Director would be on equal footing with the Director of Research. Extension would keep farmers and other interested parties informed about the results of extension demonstrations, on-farm research trials, applied research at the various research centers, and research information generated at national and international institutes, universities and the private sector. Finally, the Plan recommends that the private sector be encouraged to participate in research activity, in areas within their economic interest. For example, as joint ventures develop between local and foreign agribusinesses, the joint venture company would be encouraged to do production research which would complement that carried out by the public sector. Multinational seed companies would also be encouraged to do adaptive research and testing of varieties to develop lines suitable to local conditions.

The project's accomplishments so far in technology dissemination have been limited. AUT plans to disseminate its reports and research findings primarily by using its SARA-funded print shop now that the shop is open for business. Information will be printed and distributed to interested parties. Through the efforts of SARA's Policy and Research Advisor, two research trials for the application of greenhouse seedling technology and the demonstration of sprinkler irrigation have been installed on private farms which will be used for demonstration purposes. Information generated from the trials will be turned over to the newly-created Directorate of Science and Extension Services, which evolved from the recent reorganization at MOAF. IFDC, as part of its work with the AFADA dealer's association, helps that organization carry out fertilizer response



trials on private farms. The results of the trials are made available to AFADA members. IFDC has also assisted some AFADA dealers establish a business for the importation of improved wheat seed from overseas. The information about seed performance and availability will be available to the public-at-large through the AFADA network.

### Problems and constraints

Producing the third component output of disseminating new technology to 3,000 farm families will be difficult. For this to be successfully concluded, the Master Plan must be approved and largely implemented by GOA, and the new research-extension partnership must operate for a sufficient length of time for a large number of farmers to adopt production-enhancing technology. The SARA Policy and Research Advisor estimates that some 5-10 years would be required to fully implement the Plan. Under the normal course of events, it is unlikely that the third requirement will be accomplished during the time remaining in the Project. A specific, targeted program must be undertaken to ensure its completion.

After considerable internal debate, the Plan, with few modifications, was formally approved by GOA in May 1996. Soon thereafter, Parliamentary elections were held and there was a change of key Government officials, including the Minister of Agriculture. Consequently, implementation of the Plan has been suspended. Another factor is that MOAF is currently undergoing an internal reorganization which has resulted in the creation of the new Directorate of Science and Extension Services, which will be responsible for both applied research and extension services. No action on Master Plan implementation is expected by MOAF until the new officials have time to become settled in their new roles.

Uncertainty about the eventual implementation of the Master Plan has been heightened by the recent creation of the Ministry of Higher Education and Research. The evaluation team heard that this Ministry will eventually become responsible for all universities in the country and their research programs, as well as all agricultural research institutes which are presently under the guidance and control of MOAF.

At this point, it is not clear where applied research and the proposed, new extension services will eventually lodge. The team heard conflicting stories that extension services would be consolidated with applied research and basic research at the new Ministry, that the MOAF would lose its research capability but would keep its extension services, and that extension activity would stay at MOAF until some later date when it would be moved to the new Ministry.

A major issue to be faced by GOA will be how to fund extension activity. Under centralized planning, MOAF's research and extension system was geared to the large state and cooperative farms. Production as well as research and extension was centrally planned and directed. The agricultural research network was composed of eighteen institutes which were narrowly focused on only a few commodities. There was little interaction among the institutes or between the institutes and AUT and virtually no linkage with research institutes outside Albania. Extension

was carried out through direct linkage between the institutes and the large farms. With the breakup of the state farms and cooperatives, some 420 000 private farmers came into being. The cost of providing extension services to these farmers will increase dramatically.

### Conclusions

With the submission of the Master Plan, the TA team has completed the first two of the three requirements described above.

Through no fault of its own, the SARA Project has not yet lived up to the expectation stated in the Project design that technology development and dissemination would take place through an effective partnership between the private sector, AUT and MOAF. Given the current uncertainty and the time required to implement the Master Plan, it is doubtful that the third required output of this activity will be met unless a separate program is designed specifically to carry this out.

- 4 Development of Public Sector Capability to Support Privatization of Agro-Industry and Marketing Activities

### Overview

Under the original project concept, the Agribusiness Component was to have played a major role in supporting GOA's efforts to privatize state-owned agribusinesses. The project designers believed that Government leaders were committed to a private market economy but needed help to bring this about. It was envisioned that technical assistance would be provided to analyze and help formulate policies related to privatization as well as to help with their adoption and implementation.

During the period between the project design and the arrival of the implementation team, the situation in Albania changed considerably. In the initial work planning activity in early 1994, it was concluded by USAID, MOAF and the SARA contractors' representatives that the privatization subcomponent should focus primarily on assisting rapidly emerging private agribusinesses, instead of assisting GOA's privatization efforts. This change was made for the following reasons:

- a) Government policy and legislation to effect the privatization of state-owned enterprises (SOEs) had already been enacted or was in an advanced stage of preparation with the assistance of other foreign donor projects.
- b) Most small and medium SOEs had already been privatized or were targeted for privatization in the near future.
- c) Even after privatization, many SOEs were not viable economic entities.

d) Direct assistance to new agribusinesses was then limited. After privatization, most firms had little access to capital required to re-establish enterprise operations. Most new private firms were small and had been established with little or no knowledge of market demand, or product competition and pricing or input supply sources and costs, or technology and production requirements. They were also severely constrained by the limited availability of credit.

As a result of these changes, the desired end-of-project status (EOPS) for the Agribusiness Component were modified. These and other changes were incorporated into a September 1996 contract amendment with WINROCK, the prime contractor. A summary table comparing the original EOPS for the agribusiness component with currently-planned EOPS is shown in Chart I Annex 4.

The decision to provide business development assistance had a major impact on Project implementation. Because there was limited space at MOAF for business support services and because the access to the ministry building was difficult for private individuals, it was decided to relocate the business services activity away from the MOAF. Hence, the Agribusiness Center (ABC) was created. Opening the ABC had a substantial impact<sup>5</sup> on the budget for local operating costs since it was necessary to rent and furnish offices, hire the technical and support staff for agribusiness assistance and to provide administrative support to the rest of the ABC organization.

Once established, the ABC began a series of analyses to define where it should focus its efforts. Its general procedure was to carry out an analysis of a promising subsector and then analyze the businesses within that subsector in order to find strong candidates for ABC's business services. Over the course of the project thus far, ABC has assessed the commodity sectors of milk, feed grains and wheat and has analyzed all facets of the financial sector. Over 150 agribusiness firms have been evaluated to determine their suitability to work with ABC. Some 10 to 15 small and medium firms have been assisted.

Once the client company was finally selected, ABC acted as its no-cost external consultant, providing a full range of business services on demand. It was planned that with ABC's help, the assisted companies would become strong, prosperous business enterprises which other similar businesses would emulate. Thus, the basic strategy was to develop model enterprises within certain targeted subsectors.

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<sup>5</sup> The current life of project budget for in country support to the Agribusiness Component is \$580,000. Had the ABC not been opened, many of these expenditures would likely not have been necessary.

### Accomplishments

Descriptions of the impact of ABC's business services on its client companies are presented in Figures I - X, Annex 5. These are brief case histories of the client companies, the services provided and the result of ABC's assistance.

While the number of companies assisted by ABC has been limited, a review of its progress reports and interviews with six companies support the conclusion that ABC's assistance has been important and noteworthy. There is a genuine appreciation for the information and services provided. The most important services are in helping develop a business strategy and marketing plan, implementing accounting and management controls and linking the company with foreign technology, suppliers and customers.

### Problems and constraints

ABC's policy of working with only a few client companies ensured that the ABC would have only a limited impact on Albanian agribusiness development with little chance of subsequent impact. Even with the best of intentions of Project implementors, there is no assurance that an ABC-assisted, successful company within a given subsector would consent to help its weaker competitors within that same subsector to also succeed. Thus, "model" companies would likely be difficult to replicate within their industry.

Another factor limiting ABC's impact is that agribusinesses in Albania presently face three major constraints: a) The lack of business management skills, b) the lack of information about foreign suppliers and technology needed to upgrade their production or processing operations, and an occasional need for information about foreign markets; and c) access to credit. The most severe constraint by far is the non-availability of credit. ABC works to remove only two of these three constraints affecting its client companies. Therefore, even if ABC is successful in its work, its impact can be minimal if credit is not available to the assisted company.

ABC's success in assisting its model clients has resulted in spite of the difficulty that the organization has experienced in developing into a credible business service center. The fundamental problem has been the inexperience of its local staff, which was hired under selection criteria that apparently gave more weight to English language capability than to technical ability. Due to their inexperience, the business specialists were slow to develop the self confidence and presence needed to give credible advice to business entrepreneurs. Although considerable progress was made in staff development, these efforts came to a standstill in September 1995 as the result of the wholesale firing of ten of ABC's business specialists for alleged financial misconduct related to local travel expenses. The organization is only now recovering from this loss. It required some six months to recruit, screen and hire their replacements and another six months for the inexperienced new employees to settle into their roles.

Another likely factor affecting ABC's performance was the open hostility between the Agribusiness Advisor and SARA's Chief of Party. At best this was a distraction to senior ABC management and at worst, it would have impaired management decisions by both sides. A second management change came in April 1996 when the Agribusiness Advisor and the Training Advisor were released. Only the Agribusiness Advisor was replaced, in May 1996. The inescapable conclusion is that weak staff selection along with the required changes in business specialists and senior management has severely affected ABC's ability to function as an effective, credible provider of business services.

### Redefinition of ABC's role

With the arrival of the new Agribusiness Advisor in May 1996 there has been a substantial change in ABC's business development strategy and management style. Instead of targeting a few model companies within a limited number of subsectors, the focus now is to work with promising entrepreneurs and business managers in any agro-industry. ABC is taking a proactive approach to seek out additional clients within the priority subsectors. These changes will undoubtedly broaden ABC's client base and will increase Project impact. The new Advisor has also worked hard to re-establish relations with many of ABC's older clients, which waned during the management transition. Day to day services are focused on "punctual activity" - that is, to help the client solve problems as they arise, instead of trying to promote large investment projects. Plans are underway to upgrade the technical staff by gradually replacing the weaker specialists. ABC has also strengthened its ties with its counterparts at MOAF, and plans to work more closely with them in the future. These changes are viewed favorably by ABC's counterparts and others within the agribusiness community. The general consensus is that ABC is finally "on track."

During the team's interview with MOAF's Agribusiness Director (ABC's counterpart) the point was stressed that ABC's previous, exclusive focus on private agribusiness was important but that the organization should have worked more closely with the Ministry. In particular, the Agribusiness Director sees a need for assistance in helping her Directorate define its role vis-a-vis the agro processing subsector and with business associations within the subsector. Additionally, she would like to have information on businesses and/or opportunities in agro processing, and would like to be provided opportunities for training through the SARA Project. To fully satisfy her needs would require a closer collaboration with ABC as well as input from SARA's Policy Advisor. Both units working together could play an important role in helping shape GOA's policy toward agro processing.

### Evaluation issues

The evaluation team agrees that ABC now appears to be "on track." However, the primary issues that must now be addressed are a) its expected future impact and b) its sustainability. In terms of future impact it is expected that ABC will function more effectively for the remainder of the SARA Project than it has in the past. However, the services of the Agribusiness Advisor are

planned for only another thirteen months, until November 1997. In light of the limited capability of ABC's staff, the Advisor is presently acting as its General Manager. None of ABC's local managers is believed capable of managing the organization. Unless a strong local manager is hired, it is doubtful that the ABC would continue to function effectively without the services of its Advisor.

A second question that must be raised is what could ABC reasonably expect to accomplish over the remaining 20 months of the SARA Project, even with strong management for the entire period. Suppose that some 20 small/medium businesses could be ably assisted over the remaining Project life, and that 5 of these would be developed to the stage where each would qualify for a commercial loan of \$100,000. Would this impact warrant continued support by the SARA Project to ABC's business development activity? This is a key question that must be answered by this evaluation. Its answer depends on how likely it will be that ABC can continue to operate after the project ends. What is the sustainability of ABC?

The SARA Project design assumed that business training and assistance would be sustainable through cost recovery by the time the project ended. It was felt that even if providing business services was not financially viable, the skills developed as a result of the project would continue to benefit Albania. However, the current precarious financial condition of most private agribusinesses makes it unlikely that a commercially operated consulting firm offering similar services to those offered by SARA would succeed. This point is driven home by the recent failure of a "privatized" consulting company offering business services, which had been supported by the FAO. Therefore, under present conditions the sustainability of ABC beyond the SARA project is highly doubtful. This opinion is shared by all SARA team members interviewed.

The current approach by SARA to the sustainability of technical assistance capability is that ABC employs private sector agribusiness development firms to assist its clients. ABC advisors believe that the experience gained by providing TA will be sustained within the private sector after the project ends, even if ABC closes its doors. However, unless an institutional structure is provided through which these new skills and experience can be channeled, the efforts will be widely diffused and their residual effect will likely be minimal.

### Conclusions

In view of ABC's cost and its limited impact on agribusiness development, its use of Project resources thus far has been highly inefficient.

Unless ABC has a chance of becoming a sustainable organization, Project support should end as soon as possible and its business development activity brought to an orderly close. Even with effective management, ABC's likely impact on Albanian agribusiness for the twenty-month period

remaining in the project does not justify the cost of supporting the organization over this period<sup>6</sup> However if the sustainability of the ABC is assured and it will likely continue its developmental activity in some manner beyond the project completion date, SARA should help ABC through this transition A possible means of ensuring sustainability for ABC is outlined in the "Recommendations" section of this report

## 5 Development and Strengthening of Agribusiness Networks and Entrepreneurial Skills

An important requirement of SARA's activity in agribusiness is that private sector entrepreneurial skills as well as networks among agribusiness operators would be developed and strengthened as a result of the project Two major programs were carried out within the context of SARA's support to agribusiness under its Agribusiness Development component a) agribusiness management training and b) U S agribusiness partnership

### a Agribusiness Training

Since there had been little management skills development in Albania under the previous centralized regime, considerable project-supported management training was envisioned as a means of helping develop indigenous private businesses It was believed that with economic development, the agricultural sector would likely shift toward food processing, marketing and transport and that entrepreneurial and management skills would be required in these areas to help private operators replace the retrenching public sector In response to this need, it was planned that the SARA agribusiness component would work with private sector firms and individuals in collaboration with the Agricultural University at Tirana (AUT) and the Ministry of Agriculture and Food (MOAF) to help develop the management and entrepreneurial skills needed to operate in a free market economy The original concept was that U S experts would come to Albania to train a team of Albanians in business management Local training was to have been supplemented by additional short term training in the United States Once the Albanians were qualified as business management specialists it was planned that they would fill the role of agribusiness trainers under the Agribusiness Development component of the SARA Project

It was envisioned that the Albanian specialists would be available to train other, local entrepreneurs and managers in business topics such as management, marketing and accounting They would also be able to respond to requests from agribusiness people for feasibility studies and the development of business plans It was planned that the short courses would initially be subsidized but that progressively increasing income would be generated over the life of the project to make the operation self sufficient

The reason why a substantial effort in formal agribusiness training was planned for the SARA Project was written in the Project Memorandum "In the long run developing Albanian expertise

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<sup>6</sup> The approximate cost of the Agribusiness Development Component of WINROCK and RONCO's contract for the remainder of the project is \$500 000 The estimated cost of operating ABC for the remaining months of the project is \$250 000 Total costs are approximately \$750 000

through training could have far more lasting impact than technical assistance on increasing self reliance and efficiency in Albania"

When the decision was made to create the ABC as a center providing business services to agribusiness entrepreneurs, the focus of the training program shifted. Instead of providing formal training in agribusiness, the thrust was to provide practical, on-the-job training to agribusiness operators. On-the-job training resulted from the process of making an expert available to the entrepreneur, to help him plan, manage, organize and control his business. This was supplemented by a limited amount U S training for selected entrepreneurs. Another change in the strategy for the delivery of management training was to replace short term training TA with a long term expatriate training advisor located in Albania.

All training that was required under the Agribusiness Development component has been completed. The team's assessment of agribusiness training is included in Section B7 of this report, which analyzes the effectiveness and contributions to date of the training programs for all components of the SARA Project.

b U S Agribusiness Partnership

Overview

The SARA Project encourages ties between Albania and the United States through trade and investment since these have much greater potential over the long run to contribute to economic development than does a single project of relatively brief duration. For that reason, the Agribusiness Component supports the creation of linkage between U S and Albanian counterpart organizations for trade, investment and joint ventures.

The program to stimulate U S -Albanian agribusiness partnerships has two required outputs.

- 1) To establish information exchange networks among Albanian organizations and agribusinesses, and between them and Albanian/American organizations and U S trade associations and agribusinesses.
- 2) To stimulate increased trade, investments, and joint ventures between U S and Albanian agribusinesses.

Accomplishments

To achieve these two objectives, in early 1994 the Agribusiness Advisor began a series of trade investment and educational promotional activities involving Albanian-American citizens and organizations, U S agribusiness, government and international agencies. The program was based on the following assumptions:



- 1) Neither U S agribusiness nor the Albanian/American ethnic community was aware of the opportunities arising from economic restructuring in Albania
- 2) Promoting Albania in the United States as an emerging democracy with a market economy was the first step in stimulating U S agribusiness interest in Albania
- 3) Providing information about Albania would best be accomplished through Albanian American organizations and the U S media
- 4) The establishment of sustainable U S /Albanian linkages would be best achieved by fostering direct contact between Albanian entrepreneurs organizations and development practitioners and their American counterparts
- 5) To develop trade, investment and educational linkages between the two countries it was first necessary to identify promising Albanian agro-industry sectors, agribusiness firms, and Albanian candidates for training and internships in the United States

A review of the information developed under the Agribusiness Component indicates that considerable work has been done to establish trade and investment linkages between Albanian companies and their counterparts in the United States as well as in Central and Western Europe. While some international linkages have been made, no local business associations have been created as a result of the project. The focus of most of this work has been to "make deals" between private companies. A few of these have paid off with increased trade, and others may well prove fruitful in the future.

The Agribusiness Advisor's Mid-term Accomplishments Report written in April 1996 lists 75 substantive contacts with members of the Albanian-American community, their community leaders, representatives of trade and cultural organizations, and the Albanian newspaper *Illyria*. U S investors, companies, associations, universities, consultants, U S Government officials and with representatives of international development organizations. An example of the work carried out under this component is given in the abbreviated case study for Flynn Industries, presented in Figure X, Annex 5.

In addition to its efforts to create U S -Albanian ties the Agribusiness Development component has also worked to create regional trade linkages between Albania and its neighboring countries. While this work is not included in the contractor's scope of work it is fully supported by USAID under the premise that increased trade and investment will play a positive role in bringing political stability to the Balkan region. The Mid-term Accomplishments Report of April 1996 lists 55 substantial contacts with individuals and organizations within the region. These include importers and exporters of agribusiness products, suppliers of farm inputs and services, agro-processing machinery and equipment, regional NGOs, chambers of commerce, cooperatives, trade associations, bankers, market news sources, regional Government officials and international

development organizations The countries represented are primarily Italy, Macedonia and Greece

An important result of this activity is that ABC has exposed Albanian agribusiness operators to foreign technology and to some extent, foreign markets In view of Albania's limited manufacturing capability many inputs, such as packaging material, are not available in local markets ABC has helped its business clients locate foreign suppliers Another important accomplishment is that through SARA, Albanian agribusiness operators have obtained information, contacts and logistical support to help them attend international fairs and trade shows This is a particularly useful method to learn about foreign manufacturing and food processing technology A small, although critically important service is that with project sponsorship Albanian business people are able to obtain visas for travel to Western European countries Without the intervention of SARA, many of the applicants would not be able to travel abroad

#### Redefinition of ABC's role

With the change of the Agribusiness Advisor in May 1996, subsequent changes were made in the focus of the trade and investment programs that, in the view of the evaluation team, will make the programs more cost effective Efforts to build U S linkages will continue, but with emphasis on working through Albanian organizations in the United States such as the Albanian American Cultural Foundation and the Albanian American Trade Association Efforts to create regional ties will continue unchanged with emphasis on exposing Albanians to technology that is directly related to their business needs

#### Conclusion

The work being carried out under the Agribusiness component to link Albanian agribusinesses with counterpart organizations and suppliers within the region and in the United States is progressing satisfactorily Required outputs are being met

### 6 Capacity Development at the Agricultural University of Tirana

#### Overview

The SARA project is working to develop the Agricultural University of Tirana's capacities to meet the human resource needs of an evolving market economy and make a positive contribution to policy analysis and research It is expected that AUT's institutional development will be enhanced by the process of working in collaboration with the Department of Agricultural Economics and Rural Development and the Department of Agricultural Business and Farm Management at MOAF as well as other universities and institutions The required End-of-Contract Results is that the AUT will have i) re-oriented its curriculum to meet the changing needs of a competitive international market economy ii) upgraded its training programs and laboratory facilities and iii) improved its ability to contribute to policy and agronomic research

through linkages with the MOAF, U S universities and international agricultural research centers To achieve these goals the project documents lists five outputs These are the following

- 1) Redesign curriculum and research plans in at least 12 subject areas which are appropriate to the agricultural sector needs of Albania's emerging market economy
  - 2) Graduate degree (2 year) training of a least 6 AUT faculty members and short-term training in the U S for at least 12 faculty members
  - 3) Identification, prioritization and partial procurement of library and laboratory resource needs
  - 4) Involvement of AUT faculty in at least 10 economic policy research and 10 agronomic/livestock research activities of the MOAF
  - 5) Involvement of the AUT in local short-term training course on agribusiness-related activities
- a Capacity to Meet the Human Resource Needs of an Evolving Market Economy

The component is making major strides in an area where the background of university staff in market economics is not strong Market economics is a new topic in Albania and under the previous regime these departments were focused almost entirely on accounting functions The project has therefore started almost from scratch in terms of course preparation and faculty development

Outputs 1-4 are generally on track to achieve their expected results, although there are substantive concerns in each of the areas which will be discussed below The fifth output has so far not seen any progress made, although faculty members have been active collaborators with the ABC in other areas specifically studies and assessments

In assessing the progress of this component of the SARA project, it must be emphasized that AUT's management and coordination experienced a turbulent period during the project's second year which resulted in two key changes First the original long-term development advisor's contract was terminated on April 10, 1996 and the second long term advisor did not arrive until June 1, 1996 Simultaneously with the departure of the first long-term advisor most of the local project staff was terminated Rehiring did not occur until the new long term advisor was in place Secondly in April 1996 the AUT Steering Committee recommended that the component no longer utilize graduate students (so-called ABD's--students who have completed all but the dissertation requirements for the Ph D degree) for instruction and course development but should insist on full Ph D's with teaching experience This recommendation was accepted by the USAID and is now being implemented The circumstances which led to these changes, and the hiatus of

project progress in the period before the arrival of the second long term advisor, slowed the progress in the achievement of component outputs. These changes however appear to have pulled the component's progress back on course.

### Accomplishments

In the area of curriculum development, significant progress has been made in 1) the revamping of the courses offered by the two departments, 2) the design of new courses and the structure of the departments' curricula, 3) the creation/translation of materials for instruction, and 4) training of instructors to upgrade their capacity to teach market economics and business concepts relevant for Albania's emerging market economy. For the curriculum development work to be fully consolidated, however, course preparation will need to be finished and materials published. Even more importantly, the proposed curriculum changes for students in the Agricultural Economics and Rural Development and Agricultural Business and Farm Management departments will need to be adopted by the university as a whole.

Over a hundred segments of lecture material in Albanian have been generally prepared, along with 56 U.S. case studies, 38 Albanian case studies, 16 monographs, 8 books and 8 theses. Unfortunately, when project staff were dismissed in April, 1996, progress on the editing and publishing of much of this material ceased, and much of it became neglected. More than half of it will require additional work to be fully useable in instruction. Course material preparation--outline, syllabus and lecture notes, problem sets and examination materials--are currently being produced in eleven courses, which are expected to form the backbone of the two departments' curricula. One possible additional source of materials, the programs of the University of Tirana which operates an economics department, a business department and recently began an MBA program, has apparently received little attention from faculty or project personnel.

A course sequence emphasizing a two-year, four course sequence of beginning and intermediate micro and macroeconomics has been proposed for both departments based on SARA consultants' recommendations. Following this sequence, students in Agricultural Economics and Rural Development would go on to study more advanced courses in production analysis, price analysis and international trade. Students in Agricultural Business and Farm Management would go on to study courses in finance, accounting and business management.

### Problems and Constraints

This proposed curriculum has not yet been adopted by the university. Current university curriculum places more emphasis on the physical sciences during the first two years of study, thereby delaying the introduction of the basic micro-macro sequence. This is a cause for concern because agricultural economics and agricultural business graduates from the AUT are to a certain extent not recognized as "full" economists by the Albanian professional community because of the more generalized nature of their training. The proposed curriculum changes face some resistance from other quarters of the university community meaning that it may require time and energy on

the part of the component to demonstrate the strength of its proposal and assist in persuading the university to adopt the proposed changes

### Placement of Graduates

It is currently not possible to determine with precision the destination of graduates of the two departments. The information is not systematically tracked by any entity and would require a new survey to estimate accurately. Anecdotal evidence suggests that there is currently a glut of graduates from both departments who are either unemployed or working outside of their fields. It is also apparent that because of a hiring freeze, current graduates are not being employed by the public sector.

While actual destination of graduates is difficult to determine, research has been carried out on the medium term demand for AUT graduates. This demand, while not directly tracked by the university, was analyzed by curriculum development consultants employed by the SARA project. These are medium term projections which assume, 1) continued growth of agribusiness, 2) the resumption of hiring by the MOAF, and 3) the absorption by the economy of the current glut of AUT graduates. They are based on comparisons with employment in other similarly sized countries, in part on current public sector data and in part on a survey of input supply dealers in April 1995. They assume 90 graduates per year from the two Departments together and do not separate employment demand by department. The projected demand for graduates from the two departments into different employment fields is:

Agribusiness	19
Agricultural finance/banking	20
MOAF	19
Graduate studies	6
<u>Non-agricultural employment</u>	<u>26</u>
Total	90
Source (Calculated from Eigsgruber, 1996)	

Training is ongoing and is discussed in section B 7 of this report.

The computer facilities, library and print shop are all fully functional. Procurement of laboratory equipment for the AUT's Central Analytical Chemistry lab, however, has not been carried out, and is pending an exact definition of material requirements. There is reason for concern, however, in all three facilities, that the sustainability of facilities beyond the life of the project is not fully guaranteed. Recurrent costs for supplies, some library acquisitions, equipment upgrade and staffing are currently being paid for by the SARA project. It is important that a clear understanding of how these facilities will be paid for after the project ends be clarified.

## b Capacity to Contribute to Policy and Agronomic Research

Faculty policy research in collaboration with the MOAF is taking place in several areas, but moving projects from inception to completion and publication appears to be somewhat problematic. To date, four collaborative studies on policy topics have been undertaken, but only one on wheat policy and marketing, has been completed (the others, on rural income, trade policy, crops production costs are in various stages of completion). In order to complete the expected 10 collaborative studies, the component will need to increase the pace of research preparation and completion. The AUT faculty can play an important role in policy analysis and research, but additional guidance and stimulus is still required to translate this potential into a strong research program with close links to public sector planners.

In terms of agricultural research in collaboration with the MOAF, two studies are underway and nearing completion. Both are on-farm trials of technologies which are new for Albanian farming: the first involving the introduction of plastic seed trays for vegetable seedlings and the second spray irrigation systems. In this area too, the pace of research will need to increase to meet the expected output of 10 collaborative research projects by the end of the project on June 30, 1998.

Agribusiness training has so far not taken place, although AUT faculty have collaborated in a number of assessments and studies with the ABC. All levels of AUT administration, from the Rector to the head of the Department of Agricultural Business and Farm Management expressed an interest in absorbing this function and potentially others, of the SARA project from the Agribusiness Center (ABC).

### Conclusion

In summary, the AUT is currently fulfilling 80 percent of its outputs, but with varying degrees of comprehensiveness and sustainability. The project received praise and appreciation from counterpart staff from pedagogues to top administration. In all areas, however, much work remains to be done. There can be little doubt that management disruptions earlier in the project delayed and interrupted progress in curriculum development and faculty research.

The necessary changes appear to have been made to create an atmosphere for continued progress but the component will have to work efficiently and assiduously to assure that

- 1) The proposed curriculum supported by high-quality instructional materials in Albanian is fully in place by the project's termination.
- 2) the pace of development and execution of collaborative research projects is sufficient to meet its goals.
- 3) issues of the financial sustainability of computer labs, library acquisitions and the print shop after the life-of-project are resolved.

- 4) AUT faculty become involved in meaningful, direct training of agribusiness professionals

## 7 Effectiveness and Contributions to Date of Project Training Programs

All components of the SARA Project included in this evaluation rely on a combination of long term short term and on-the -job training SARA training programs have benefitted members of the project implementation team MOAF staff and counterparts, AUT professors and staff and private agribusiness operators A summary of Project training completed to date is shown in Tables I, II and III, Annex 6

### a Agribusiness Training

Under the terms of the current contract between WINROCK and USAID, by the time the SARA Project ends the contractor will be required to complete the following agribusiness training a) To provide short term training in Albania to at least five hundred Albanian agribusiness entrepreneurs, policy makers, and university faculty in the principles of agro-industry and market development and agribusiness planning and implementation, b) to provide long term (one to two years) advanced training in the United States to at least three professionals from the MOAF AUT, and/or the private sector and c) provide short term training (less than one year) in the United States to five agribusiness professionals

### Accomplishments

With the opening of the Agribusiness Center (ABC) and the subsequent appointment of the long term Agribusiness Management Trainer the primary method of training business entrepreneurs was through the process of providing business development services to them In addition to on-the-job training for entrepreneurs, ABC trained its own staff in English language skills and on the techniques of making assessments of agribusiness commodity systems and on performing marketing surveys In many cases the technical staff at MOAF AUT, and from other SARA Project components also participated in the ABC training seminars After the ABC staff had been trained in how to make commodity systems assessments and marketing surveys, they, along with AUT pedagogues helped the expatriate specialists carry out their work of completing the assessment After the review of the commodity systems or economic subsectors had been finalized ABC held seminars to present its findings to interested members of the community During the first eighteen months of the project, ABC presented its findings on the dairy sector, the financial sector, privatization of agro-industry, the means of developing trade associations and the role of Government in agribusiness In addition, ABC collaborated with a local television station to make a series of three 20-minute films under the theme "Making Agriculture Albania's Business" These films were shown on national television Table I Annex 6 provides a summary of in-country training carried out in Albania

The above agribusiness training activity was followed by a formal management training program composed of a series of seminars which took place during the second quarter, 1996. The series was a compilation of twenty eight agribusiness topics ranging from "Financial Statement Analysis" to "Understanding Strategic Marketing Management". Each training module was approximately two hours long. The modules were presented to a total of 904 attendees. Therefore, the total amount of training received was 904 attendees times two hours each, or 1,808 person-hours. Ninety one individuals attended three or more classes and were awarded a certificate of achievement. The program was successful and was evaluated highly by those attending. The results of the seminar were written as a "success story", which is depicted in Chart I Annex 6.

In terms of overseas training, ABC sponsored one-year graduate level studies in agricultural economics and finance at VPI for one AUT economics faculty member and one MOAF economics directorate staff member. A third candidate will be sponsored for the 1996-97 year at the University of Wisconsin. In addition, four Albanian interns were sponsored by the SARA Project for a three-month internship at the Albanian American Trade Association, which provided training and experience in private sector organizational development. Finally, one agribusiness study tour was made with six Albanian participants to the United States. Table II, Annex 6, summarizes the long term overseas training reported to date and planned for the future. Similarly, Table III, Annex 6 describes short term overseas training.

### Problems and Constraints

The agribusiness training provided by ABC exceeded the contractual obligation to train 500 individuals. However, when comparing the training actually given to the training needs described in the project design documents, the actual training activity has fallen short of original expectations. The reasons why are as follows:

Under the original project concept, formal agribusiness training was a key element in helping private operators develop entrepreneurial and management skills that would enable them to replace the diminishing presence of the State in business activity. Furthermore, it was felt that in the long run, developing Albanian expertise through training could have far more lasting impact than technical assistance.

The initial focus of ABC's activity was on-the-job training for assisted agribusiness operators and by disseminating the results of its assessments of commodity systems and relevant subsectors. The number of entrepreneurs assisted thus far by ABC is relatively few - around 10 to 15. Therefore, this aspect of management skills training has reached relatively few people. Secondly, while the information presented at the seminars on commodity assessments was undoubtedly interesting and important to the participants, it does not appear to fill the project requirement for developing management skills.



While the later series of agribusiness seminars did indeed provide management skills training and was highly evaluated by a wide majority of its participants, its impact was limited due to the low number (1,808) of attendee-hours. Furthermore, the majority of the mini-courses was held in Tirana, where the participants were mostly NGO employees and development professionals, not professional agribusiness operators. Based on the participant's responses to post-seminar questionnaires, only 46 percent of those attending was either an employee or a partner/owner of a private business.

### Conclusions

In-country agribusiness training provided under the SARA Project has met its required output but in light of the expectations set out in the project design its impact has fallen short of what was desired. Overseas agribusiness training is on target.

#### b Training in Agricultural Policy and Research

Long term training, short term training in the U S and short term training in Albania is being carried out for staff within the counterpart offices of the Agricultural Policy and Research component. This activity is a key input into the achievement of the End-of-Contract Status of strengthened public sector capacity to undertake policy research, analysis, formulation and implementation, especially because the original education of most staff was oriented exclusively toward management of the command economic system. Outputs foreseen in the project document (as amended in September 1996) are the following:

- 1) Short term (less than 1 year) U S and third country training of at least 34 MOAF analysts (policy and statistics subcomponents combined)
- 2) Long term (longer than 1 year) U S and third country training of at least 4 MOAF analysts (policy and statistics subcomponents combined)
- 3) On-the-job training of at least 100 enumerators and data base managers (statistics subcomponent only)

### Accomplishments

Short term training in Albania has been very active (Table I Annex 6) in these subcomponent areas. The statistics subcomponent has met its numerical goals for the project by training:

- a) 84 national and prefecture level staff in basic sampling theory in three courses of two weeks each, one central office

b) 35 prefecture level staff in the use of computer data entry/edit programs in one month and two week courses,

c) four months of on-the-job training for 9 central office staff in questionnaire design and specification of computer data management, and

d) 84 participants in ongoing English language classes

Most of this training has been well focused on specific new skill areas which statistical personnel need to carry out surveys and manage data

Short term training in Albania for policy personnel has no numerical goals. However, workshops have been provided to 100 commune-level members of MOAF staff in marketing and agribusiness and a workshop on national media and agribusiness was attended by 50 participants. A number of district level staff have been trained in market research techniques and sampling techniques as part of the on-going household consumption survey.

To date the project has met the numerical goals for short term training overseas, having sent 37 individuals to the U.S. for a total of 33.25 months (Table III Annex 6). Policy trainees have primarily taken study tours with presentations by USDA Economic Research office, the National Statistics and Marketing Services and university research facilities at Oregon State University or Colorado State University's International Center for Development of Agriculture and Other Resources. Statistics training has primarily been held at the National Agricultural Statistics Service (NASS) and Kansas State University.

Three returned trainees: two from policy study tours and one from statistics were interviewed about their training. The interviews with policy personnel revealed that the most important feature of the training had been exposure to the overall U.S. agricultural system and a heightened appreciation for the role of state agricultural agencies in a market economy. The statistics trainee also had benefitted from exposure to the overall agricultural statistics system in the U.S., and had acquired specific knowledge and skills in sample design. Short term trainees in this component are not required to have English language skills and training takes place through interpreters.

Long term training in this area has placed 3 individuals at VPI (Table II, Annex 6). One long term trainee withdrew after only 7.5 months, when the trainee's spouse won a U.S. visa under the visa lottery system. Effectively the long term training has accomplished about half of its numeric goals. The team did not interview any long term trainees from this component, but endorses the continuing need for this level of skill development in both the policy and statistics areas.

### Conclusion

In general the training activities appear to have accomplished their goals. Evaluation of training and diffusion of new skills and knowledge by return short term trainees does not appear to be

systematic, however Short term trainees may gain more, and diffuse new skills and knowledge more effectively, if they are prepared in advance to provide written reports and/or workshops about their experiences after returning to Albania

#### c Training Completed to Strengthen AUT

Training of faculty and staff continues to be a basic activity for the achievement of the AUT component's goals of curriculum development to prepare agricultural economists and agribusiness managers for participation in an international market economy, working in upgraded computer, printing and library facilities, and improving research capacity Numerical goals for training of AUT personnel are set in the project output structure as follows

- 1) Graduate degree (2 year) training of at least 6 AUT faculty members and short-term training in the U S for at least 12 faculty members

#### Accomplishments

Short term training in Albania has focused on short sessions for computer operations for print shop employees and AUT staff and ongoing English language training for students and staff Given the investment in computer and print shop equipment, and the importance of English as the language of international business, these activities appear to be well focused

To date, 5 out of the 12 projected short term training activities have been completed, for a total of 76 person months (Table III, Annex 6) All of this training has been in special short courses at VPI One return trainee was interviewed and expressed a high degree of satisfaction with the training In general, AUT short term training has focused on skill development, literature exposure and analytical techniques in faculty members' specialties Instructors are required to have English language skills with sufficient proficiency to receive instruction in English As was pointed out for policy analysis and statistical training both trainees and their colleagues could benefit from written reports or presentations about their training experiences Some form of evaluation of returned trainees experiences would also be helpful for the design of future programs and the assessment of training impacts

Long term training is underway for five AUT faculty members and the remaining two candidates have been identified and their courses of study are being prepared Based on a review of faculty qualifications and interviews with the current faculty, it appears that this level of long term training will contribute significantly to the quality of teaching and research in the departments

#### Conclusion

Training efforts have addressed a wide scope of activities The team found it difficult to carefully evaluate the quality and impact of this training partially due to the lack of evaluation materials from much of the training and partially from the large numbers of participants and variety of

training programs. Several strong impressions have emerged, however. There are doubts about the overall impact of agribusiness training and a concern that the training provided may not have fulfilled the intention of the project design. Short term training in the U S for policy analysts probably has been of more value for general exposure and contact with U S counterparts than for specific skills development. Statistics short term training in the U S was more focused in terms of problem solving and on-the-job training of Albanian technicians. AUT short term training in the U S has been a mixture of skill development and exposure. In all of these areas--policy analysis, statistics and the AUT--it seems that the long-term training may have the most significant impact, because individuals with advanced training and U S -caliber degrees in economics and statistics are rare in both the MOAF and the AUT. After long term U S advisors depart, Albanians with the advanced skills, contacts and confidence which long term training provides will be crucial to leading the MOAF directorates and AUT academic departments in which the SARA project has invested resources.

## 8 Project Design Implementation and Management

The evaluation team, on the basis of the above findings, came to the overall conclusion that the project has thus far succeeded fairly well--in spite of itself.

### a Design

In terms of design, the project goal of food security was quite appropriate for the time. That goal has been largely achieved by the mid-point of the project. Consideration should now be given to making a goal of achieving food self-reliance through increased national income.

Given the implementation experience to date, there is consensus that the project design was overly ambitious and overly complex for the environment in which it has had to operate. Excluding the large Land Market Development Component, the project consists of three major components and nine sub-components, directed at achieving twenty (20) major outputs in both the public and private sectors, implemented by one prime contractor and three sub-contractors working with at least four counterpart organizations. This would be a major management challenge under the best of circumstances.

### b Management

From a management perspective, the project was not implemented under the best of circumstances. The SARA project almost from its early implementation until mid-1996, was plagued with what appears to the evaluation team to be an almost unprecedented series of lapses in management at the contractor and sub-contractor levels. It should be pointed out that four of the seven contractor and sub-contractor U S personnel most responsible for project implementation during this period are no longer associated with the project nor are they in Albania, and thus were not available for interviews.

While the team believes that it would serve no purpose to describe these problems in detail, it may be useful in terms of "lessons learned" to identify what seem to the team to be contributing factors. In addition to the project design and structural complexities described above, the following were also major contributing factors to management lapses:

The management role of the prime contractor and its Chief of Party were not well defined.

There was inexcusable, uncooperative and unprofessional management and personal behavior on the part of some key contract personnel which eventually created a dysfunctional internal working environment.

The inability of the Chief of Party to deal successfully with what were obviously serious management and interpersonal problems and his reluctance to reveal major problems to USAID on a timely basis were contributing factors.

Failure of the prime contractor's home office to take timely and decisive action after it was obvious that major problems existed was a serious deficiency. In fact, there were delays on the part of all parties concerned in taking timely and decisive corrective action.

There was a shift in USAID project management responsibilities from Washington to the OAR/Tirana approximately 15 months after the project began. While this was not a contributing factor in and of itself, it added an additional management burden to a small, dedicated OAR/Tirana direct hire staff already suffering from portfolio overload. This permitted little time for close monitoring and oversight. For example, the USAID Agricultural Officer, with one Albanian assistant, is currently responsible for monitoring up to fifteen separate projects and activities.

This observation is conjectural, but the scheduling of an external evaluation earlier, as called for in the implementation plan, might have revealed the seriousness of these management problems sooner and therefore could have precipitated timely corrective action.

By the end of the second quarter of 1996, necessary corrective actions resulted in the replacement of three members of the TA team. While some tension still lingers, the situation has apparently stabilized and the contract implementation team is operating effectively. However, the team believes that the role and responsibilities of the Chief of Party vis-a-vis the various components heads needs to be clarified.

Opinions are mixed as to extent that management problems adversely affected the progress of the project. There is no doubt that it slowed momentum in several areas and may have thwarted the end of project results in the Agribusiness Development component. It definitely affected the establishment of the coordinating, collaborative and synergistic implementation process envisioned by the project designers. It is a credit to all presently concerned, however, that most

of that momentum has been restored even if the desired degree of synergy may still be an elusive objective

Fortunately, there seems to have been very little adverse spill over to, and reaction from the Albanian side as a result of these internal conflicts and management lapses. All Albanian officials contacted by the team were profuse in their praise and expressions of appreciation for the SARA Project. As the above discussion indicate, many were specific in their expression of how SARA is helping to restructure agriculture in Albania. Some disappointment was expressed because the Agribusiness Development component is not as successful as the other components

#### c Implementation Monitoring and Evaluation Systems

The design of the SARA project and the contractor's scope of work required the establishment of mechanisms to track progress toward achieving the project's required outputs. Impact indicators were to have been established as part of the implementation process

The establishment of performance indicators was the responsibility of the project Steering Committee, chaired by the Minister of Agriculture and Food. Steering Committee members are composed of project participants as well as representatives of MOAF, AUT and other concerned individuals and organizations in the public and private sector

In addition to providing coordination and general oversight and approving annual work plans, a major responsibility of the Steering Committee (with the help of the Chief of Party), is to establish and monitor impact indicators for the project. In addition to the Steering Committee's involvement in measuring impact, the contractor's scope of work calls for the establishment of regular monitoring systems, annual work plans, quarterly reports and trip reports. Two external evaluations are also specified over the course of the project. The main purpose of these monitoring systems is to track the progress of the project in accomplishing its goal and purpose and to demonstrate its impact

With the departure of several of the contractor's employees and the continuing turnover of MOAF personnel institutional memory is limited. The Steering Committee was established and began operating during the first year of project implementation (1994). It has continued to meet at least semi-annually since it was formed. Work to establish indicators and benchmarks appears to have been never-ending during the first two and one-half years of the project. The review and approval of a final set of benchmarks did not occur until July 1996

Impressive work plans were developed and approved by the Steering Committee for 1995 and 1996. These present a clear, detailed projection of the tasks to be completed and the timing of their accomplishment. Equally elaborate quarterly progress reports are routinely written and disseminated. These reports show the five major results expected at the end of the contract along with a descriptive analysis of what has transpired thus far in each sub-component. The quarterly reports also provide a summary table showing the required outputs for each sub-component and

the tasks that must be completed to reach the various outputs. Finally, the reports give an indication of progress and problems in completing the required tasks.

In early 1996 the various contractors prepared and distributed their respective "mid-term accomplishment reports" that describe and aggregate their respective accomplishments until that time. Team members found these reports helpful in their presentation of what has happened so far within each project component and sub-component.

While the team is impressed with the depth of the monitoring and reporting system that has been implemented, it is concerned that the system (1) does not show clearly and easily the status of each component in terms of reaching its expected results, (2) does not provide a method to measure progress toward achieving either the purpose or the goal of the project and (3) it is not clear how the accomplishments of the project relate to USAID's strategic objectives. Furthermore, some of the reports seem confused between inputs, outputs and impact.

Methods to record progress against the Steering Committee's indicators should track the progress of the project toward achieving its goal and purpose. Since this system is under the supervision of the MOAF, it may have a good chance of continuing to serve as a useful tool after the SARA project ends.

#### d Donor Coordination

Coordination in general is a difficult problem in Albania because of the number of related activities being sponsored by a large number of donors, less than adequate communications and logistics facilities, and the difficulty of finding time to coordinate.

However, the donors contacted by the evaluation team were generally aware of the SARA Project and for the most part it is perceived as making important contributions in agribusiness. There was one exception: the World Bank Resident Representative felt that his relationship with the SARA project was often a one-way street with SARA managers giving the impression that they were not willing to collaborate, share and exchange information. This should be corrected as soon as possible.

Consideration should be given to strengthening the Agricultural Projects Office (APO) at the MOAF as a means of improving coordination among the various donors.

## C CONCLUSIONS

The SARA Project is making good progress towards achieving most of its objectives. The following general conclusions for the following project elements and components were derived from the above set of findings:

1 Project Goal, Design and Implementation

- a During the three-year period since the project began, most Albanians have achieved food security, with the exception of particularly vulnerable groups that will require specific, targeted assistance. The project's goal of reestablishing food security can now be thought of as the achievement of long term food self-reliance commensurate with an increase in national income.
- b The project design was very complex, with a component, implementation and management structure that would have been difficult to execute under the best of circumstances.
- c Unfortunately during its first two and one-half years the project was plagued by a series of contractor management lapses that seem to have been resolved only recently. With an essentially new project implementation team now in place prospects are good that the project can recover lost momentum and still meet most of its objectives.
- d The evaluation team believes that it is important for USAID to take the lead in collaboratively examining and clarifying the role, responsibilities and authorities of the Chief of Party vis-a-vis the managers and advisors of the various components and which of these will be accountable for meeting the goals and objectives of the project. This examination and clarification should include the role of administrative support services to the subcontractors working under the contract.
- e Coordination of agribusiness development appears to be a major problem within, and external to the SARA project. The team became superficially aware of a number of activities, donor programs, private sector action and PVO initiatives to promote small and medium enterprises (SMEs) and agribusiness in Albania. Many of these (some of which are U S -sponsored programs) were only vaguely aware of the SARA Project, and vice-versa. The team believes there is a need and an opportunity for USAID to coordinate these activities, possibly by assigning the task to one of its contractors or NGO grantees. Consideration should also be given to strengthening the Agricultural Projects Office (APO) in the MOAF as a means of improving coordination of agribusiness activity.

2 Progress to Date Against Major Objectives

The SARA project is making good progress in achieving most of the twenty output objectives under the three components evaluated.

- a The Policy and Agricultural Research component made an important contribution to policies on wheat production and price levels for wheat and bread which helped



avert a severe social and political crisis. It has helped establish a statistics and market information system, capable of producing a weekly commodity price information system and a series of agricultural surveys that provide a good basis for sector planning and analysis. It has also promoted collaborative research between the MOAF and AUT pedagogues on farm income, farm costs and trade and tariff policy (although none of the results have been published). It produced a seven-volume National Agricultural Research Master Plan that was recently approved by the MOAF. The Master Plan provides a blueprint for the reorganization of agricultural research and the establishment of an extension service.

Development and dissemination of improved technologies under this component have been limited. Through no fault of its own, the SARA project has not yet lived up to the expectations that technology development and dissemination would take place through an effective partnership between the private sector, AUT and MOAF.

- b. Considering the Agribusiness Development component, the decision to create the ABC to provide business development services shortly after the project began has had a major impact on project implementation and on the project budget for local costs. While ABC has assisted only a few companies, (10 - 15 so far), its assistance has been important to them. Its policy of working with only "model" companies within a few subsectors has limited its impact on Albanian agribusiness development.

With the creation of the ABC, the original project emphasis on formal entrepreneurial skills training shifted to on-the-job training for agribusiness operators.

Considerable work has been done to establish trade and investment linkages between Albanian companies and their counterparts in the United States as well as in Central and Western Europe. The focus of most of this work has been to "make deals" between private companies. This aspect of the project is progressing satisfactorily. Required outputs are being met.

- c. Under the Agricultural University Strengthening component, AUT is fulfilling 80 percent of its outputs but with varying degrees of comprehensiveness and sustainability. Management disruptions earlier in the project delayed and interrupted progress in curriculum development and faculty research.

For the remaining project life, the following tasks must be completed: i) Ensure that the proposed curriculum is fully in place by the project completion date. ii) Ensure that the pace of development and execution of collaborative research

projects is sufficient to meet SARA's goals iii) Ensure that the AUT faculty become involved in training of agribusiness professionals

d The team concluded the following with regard to SARA training programs

- i) The contractual obligation to train at least 500 agribusiness people has been greatly exceeded on a numerical basis. However, the training actually given falls short of original expectations in terms of the type of training and its long range impact
- ii) Short term training in the U S for policy analysts probably has been of greater value for the general exposure it provided than for specific skills development
- iii) Statistics short term training in the U S was more focused, in terms of problem solving and on-the-job training of Albanian technicians
- iv) AUT short term training in the U S has been a mixture of skills development and general exposure
- v) In policy analysis, statistics and at AUT, long- term training may eventually prove to have the greatest impact because individuals with advanced training and U S -caliber degrees in economics and statistics are rare at both the MOAF and the AUT

### 3 Main Areas of Concern

The main concerns that evolve from the findings involve the following

- a The future of the Agribusiness Center its institutional and financial sustainability and the amount of impact likely to be achieved by the end of the project is of great concern
- b The extent to which the Policy and Institutional Analysis sub-component activities can be fully institutionalized within the MOAF is also of concern  
Can the Economic Development Directorate be developed to exert a leadership role in identifying and analyzing key policy issues and become a major player in formulating sector policies?
- c Another concern is the extent to which the MOAF Service of Statistics and Information will be able to fully function without the help of outside advisors and the extent to which a clear demand for and appreciation of statistical information

will be created within the Ministry and the public sector in general Will the MOAF continue to fund this activity?

- d A special effort will be required if the AUT Component's objective of the full implementation of curriculum reform is to be completed by the project ending date Equally important will be actions between now and the end of the project to insure that nearly \$1 million of project equipment continues to be well-utilized The issue should be raised with AUT as to the financial sustainability of its computer labs, library and print shop, after the project ends
- e Given the current uncertainty and the time required to implement the Research Master Plan, it is doubtful that the output of reaching 3,000 farms with improved technology will be met, unless a special program is devised for this specific purpose
- f Sustainability and recurrent cost issues cut across all aspects of the project They seem particularly acute for the ABC The Service of Statistics Information, and for AUT as an institution

## **D RECOMMENDATIONS**

### **1 Suggested Mid-Course Corrections in the SARA Project**

#### **a Project Design**

Refine the overall goal statement of SARA project from "reestablishing food security" to for example, "achieving food self-reliance by increasing national income"

#### **b Agricultural Business Center (ABC)**

To enhance the sustainability of ABC's capabilities and potential, it is recommended that ABC be attached to an ongoing institution such as AUT Business skills training could be provided under the auspices of AUT, and ABC agribusiness specialists and AUT pedagogues could also be available to provide for-fee business development services

The time remaining in the project should be used to merge the two organizations During this time ABC's business development activities should be expanded to a greater number of companies and industries First, this would ensure greater impact Second, and most important the process of providing business development services would provide on-the-job training for the consultants involved Insofar as practical and consistent with providing quality services, the greatest possible number of technicians and consultants should be involved

Should this recommendation prove infeasible, or otherwise not be accepted, it is recommended that actions begin immediately for an orderly phase-out of the ABC's business development services

c MOAF's Agro-Industry Directorate

In the time remaining until the end of the project, the Policy component and/or the Agribusiness Development component should help the Agro-Industry Directorate to define a meaningful role for that Directorate, and to develop a program that makes the MOAF an effective force in the promotion and development of private agribusiness in Albania

d Policy and Agricultural Research Component

Policy and Institutional Analysis Sub-component

Prioritize tasks to closely anticipate the needs of Ministry decision-makers

Gain high visibility and prestige for policy analysis through clear, strong policy briefing memos/bulletins, backed up by publications of comprehensive analyses

Stress staff development through greater collaboration with AUT faculty on-the-job training and applied policy analysis seminars/workshops with AUT and the University of Tirana faculty, donor representatives and outside experts

Follow-up policy recommendations with implementation plans for those policies

Track and document real performance gains from policy implementation

Technology Development and Dissemination Sub-component

Develop an action plan for developing and disseminating environmentally sound productivity-enhancing technologies resulting from the SARA Project to at least 3,000 farm families

Agricultural Statistics and Market Information Sub-component

Phase-out direct technical assistance during the final year of the project while continuing to monitor outputs, to promote and assure counterpart proficiency

Prepare documentation of procedures, roles and specialized knowledge in anticipation of staff turnover

Create a constituency for survey results by preparing attractive, user-friendly reports summarizing key areas of data gathered

Clarify how recurring costs of surveys after life-of-project will be carried out

e      Agriculture University Strengthening Component

Clarify how agribusiness training will be carried out, potentially by merging the ABC's activities with a university center

Elaborate and implement a strategy to assure university acceptance of proposed curriculum changes before the project completion date

Clarify with university administration how recurrent costs and staffing will be utilized and paid for after the project for computer labs, print shop and library

Increase the pace of development and completion of collaborative research projects

f      Project Management and Monitoring

The US technical assistance provided under the amended contract will end in approximately 20 months. Because of the recurrent cost and sustainability issues, USAID should task the contract implementors to start now to develop phase-out plans for each major component and sub-component of the project.

The contractor should initiate an improved system of reporting and tracking the relationship between project goals, purpose, expected results, component outputs and overall project impact.

This should also include the continued integration into project monitoring and reporting systems of the impact indicators and benchmarks recently adopted by the project Steering Committee.

The reporting systems should clearly and simply demonstrate where the project stands in terms of completing output objectives. It should also be capable of demonstrating its substantive achievements and accomplishments, its progress toward achieving the project goal and purpose and give an indication of the sustainability of project output and impact.

A method should be developed and implemented to assess the impact of project training programs, particularly for short and long term training overseas. The methodology adopted should also provide for some type of post-training follow-up on how the training is utilized and the impact of the training on the individual and the institution to which he/she returns.

It is recommended that USAID collaborate with the contractor's Chief of Party to clarify his role, responsibility and authority vis-a-vis the subcontractors. The role of the project Administrative Office should also be clarified in terms of its control over the financial operations of the subcontractors.

It is recommended that the amount of substantive communication between the USAID project manager and the Chief of Party be increased, particularly on problem areas. Communications on issues related to the achievement of project goals should also identify issues in which the intervention of the USAID Representative with Albanian decision makers is needed.

It is recommended that USAID assume the role of catalyst to create better coordination and linkages between and among agribusiness activities being carried out in Albania.

## 2 Suggested Areas for Future USAID Support to Albanian Agriculture

### a Development of Agricultural Credit

It is recommended that USAID help alleviate the credit constraint by helping create private credit unions whose members would be composed of agriculturalists, agribusiness operators and providers of agricultural supplies and services.

### b Assistance to Agricultural Marketing

The following is the conceptual framework for a project to support agricultural marketing.

Focus development activities on small holders whose farms are within irrigated areas suitable for crop production. This activity would be linked to the World Bank's irrigation rehabilitation efforts.

Define the markets for those crops that could be produced commercially at the irrigation schemes. Start with local markets and eventually define which export markets could be served. Determine crop variety, seasonality, product standards and market requirements for each geographical area or market segment.

Provide specialized agricultural extension support for crop production (e.g. an extensionist with motorcycle transport) to advise on agricultural practices.

Provide specialized post-harvest extension support (e.g. a marketing/post-harvest extensionist with motorcycle transport) to advise individual farmers and pack shed operators on post-harvest handling, grading, packaging, storage, cooling and transport of products which can be stored as well as perishable fruit and vegetables.

Provide the scheme farmers with a simple, appropriate low-technology collection center complete with grading tables that could be used as a pack shed and as a storage location for packaged and graded product. The shed should also have a secure area to store carton boxes, bags and other packing materials.

Help the existing irrigation association or other, voluntary association of participating farmers to organize themselves into a unit that would operate the collection center and pack shed. The association would be responsible for shed operations, would speak with one voice on behalf of the farmers to those traders who wish to buy farm products and would provide for-fee packing and grading services to the participating farmers.

With additional experience the association could provide progressively more important marketing services such as transporting crops to the packing shed, transporting packaged and graded product to market, selling the finished product on behalf of the farmers and selling farm inputs to its affiliated producers.

The association would be linked to sources of timely market information that would be disseminated to its growers.

Should large export volumes of farm products eventually result from the program, private exporters would be encouraged and assisted to organize an exporters' association. The association would provide market information to its members, represent Albanian producers and exporters and provide contacts with foreign buyers.

#### c Development of Agribusiness

The following is a list of general activity that would serve to follow-up or consolidate existing efforts and/or meet developmental needs that are currently not being addressed:

Further development of MOAF's Agro-industry staff and its program

Further support to ABC at AUT, if that move were to take place

Encourage the dissemination of agricultural technology by agribusiness dealers with particular attention to seed, pesticide and greenhouse technologies

Help develop a private horticultural seed industry in Albania, possibly by a joint venture with a U.S. company or possibly with the assistance of USAID's Global Support to Eastern European Development (SEED) Program

ANNEX 1

SCOPE OF WORK



**SCOPE OF WORK**  
**INTERIM EVALUATION OF THE**  
**SUPPORT FOR AGRICULTURAL RESTRUCTURING IN ALBANIA (SARA) PROJECT**

**I BACKGROUND**

During the 1980's, agriculture generated approximately 35 percent of the GDP. After the collapse of industry, it now contributes around 50 percent of GDP and employs over 50 percent of the population. Albania's economic growth continues to be led by the agricultural sector. Agricultural production increased by an estimated 12 percent in 1992, 14 percent in 1993, 6.8 in 1994 and an estimated 7 percent in 1995. Virtually all agricultural land (est. 95%) is now in the hands of private farmers and is being intensively cultivated.

**II DISCUSSION**

The Support for Agricultural Restructuring in Albania (SARA) project is the cornerstone of USAID support to the agricultural sector. The project provided long-term advisors in agricultural policy, statistics, agribusiness and an advisor to the agricultural economics department at the Agricultural University of Tirana (AUT). Project funds were used to support the development of a computer center at the university and upgrading of the library. A recent market assessment of the dairy industry identified significant investment potential for processing and marketing of selected dairy products. Potential investors were identified and are now being assisted. Support in adjusting to free market conditions and in meeting quality standards now demanded by consumers was provided to local flour mills. Timely and accurate data on livestock and crop production was provided to entrepreneurs and government planners. Upgrading of the curriculum of the agricultural economics department at AUT began and as did training of professors in how to teach free market economics. The contractor is Winrock Int'l, supported in a consortium (sub-contracts) with RONCO, the International Fertilizer Development Center (IFDC), and Virginia Tech University.

A separate component of the SARA project is a cooperative agreement with the Land Tenure Center (LTC) of the University of Wisconsin. The goal of this project is to create a fluid and environmentally sustainable land market. With substantial assistance from LTC, the GOA developed a comprehensive and innovative Immovable Property Registration Act. The Act was approved by Parliament in July 1994. The new property registration system was started on a pilot basis in three districts of Albania. Based on that experience, the system will be expanded nationwide. Support in this effort is also being provided by the EU and World Bank. The LTC component is not a part of this evaluation.

The purpose of this interim evaluation is to carry out a comprehensive examination of the performance and implementation from December, 1993 to the present, of AID project 180-0049 in accordance with the Scope of Work in contract EUR-0049-C-00-4017-00 with Winrock International. The evaluation will determine the capability of the project in providing technical assistance and training in the field of agriculture and agribusiness to Albania.

Winrock International entered into a contractual arrangement on December 20 1993 under terms of which Winrock International agreed to provide technical assistance and services to strengthen Albania's public and private sector capability to develop market-oriented and environmentally sound policies, institutional arrangements and technological innovations in the agricultural sector which increase the availability of food supplies and people's access to such supplies

### III TASKS TO BE COMPLETED

The objective of this document is to acquire the services of a three-person contract team to conduct a comprehensive interim evaluation of the project's performance and implementation from initiation of the project to the present in accordance with the scope of work in Contract EUR-0049-C-00-4017-00 with Winrock International under project 180-0049, to make recommendations if necessary for redesign of any units or parts of units in the project and to make a brief summary of recommendations for any essential new activities in agriculture and natural resources which are not currently implemented nor planned by the donor community

The contract evaluation team shall

- 1 Evaluate the interim progress of the project in respect to its Scope of Work outputs for the life of the project until the present
- 2 Evaluate the effectiveness of the Albanian public sector capacity to undertake policy research analysis and formulation, and to implement such policies
- 3 Evaluate the training programs (short- and long-term degree and non-degree) of the project
- 4 Determine the degree to which the private, public and university sectors are able to work together to develop, and cost-effectively disseminate, improved and environmentally-sound agricultural and agribusiness technologies
- 5 Determine to what degree the project improved the public sector's capability to support the process of privatizing agro-industrial and marketing activities
- 6 Determine if the project was successful in developing and strengthening private sector entrepreneurial skills and networks among agribusiness entrepreneurs
- 7 Determine how successful due to the project, the Agricultural University of Tirana was in
  - (i) reorienting its curriculum to meet the changing needs of a competitive international market economy (determine the percentage and number per year of University graduates and separately agricultural economics and agribusiness graduates, which are entering employment in the private sector versus the public sector)
  - (ii) upgrading its training programs and laboratory and library facilities and
  - (iii) improving its ability to contribute to policy and agricultural research through linkages with the MOAF U S universities and international agricultural research centers

- 8 Determine if the project design was appropriate and if resources provided were appropriate to the level of the technologic development of Albania
- 9 Make recommendations, if necessary, for redesign of any units or parts of units in the project and provide a summary design
- 10 Provide a brief summary of recommendations as to future Mission program directions within the Mission's strategic objectives and with respect to improving the Albanian agriculture agribusiness and natural resources sector

In order to fulfill the requirements of this delivery order the contractor will

- 1 Review the background information review the Winrock Int'l Contract's Scope of Work, letter regarding the revised Scope of Work, trip reports and the project output documents such as workshop proceedings publications, presented papers and inputs to PIDs, PPs and Evaluation Reports
- 2 Visit the site facilities in Albania
- 3 Interview personnel in the Tirana mission, project implementors and beneficiaries

The team leader/evaluation specialist will be involved in the project evaluation during substantial portions of the preparatory period. Three individuals shall serve on the team. Within the group individuals should have a strong management background, substantial experience in developing countries, a training and technology transfer perspective and private sector experience. These individuals should be from contrasting and complementary areas that represent the range of activities in the program. Each team member will be responsible for preparing the documentation in their area(s) of expertise and investigation. The team leader will be responsible for organizing the final draft report.

The following specialists are required:

- 1 Team Leader/Evaluation Specialist with project evaluation leadership experience (approximately 4 weeks)
- 2 Agribusiness Specialist (approximately 3 weeks)
- 3 Agricultural Economist (approximately 3 weeks)

Additional expertise may be included as appropriate during the evaluation preparation.

#### **IV DELIVERABLES**

Although informal reporting and information flow will take place as this evaluation report evolves, an oral presentation of the contractor's findings shall be made approximately 14 days

after the main team arrives in Albania. The draft report will include an executive summary of not to exceed five pages providing findings, conclusions, and recommendations.

Ten (10) final evaluation reports and one diskette in Word Perfect 5.2 shall be submitted to the USAID representative Dianne Blane, USAID/Tirana and five (5) final evaluation reports and one diskette in Word Perfect 5.2 shall be submitted to Division Chief Charles Uphaus, ENI/ED/AG, Washington, within 40 days after signing of the Delivery Order.

## **V TECHNICAL DIRECTIONS**

Technical Directions during the performance of this Delivery Order will be under the general guidance of the Project Officer/COTR Stephen Haynes with assistance from the ENI/ED/AG Division pursuant to Section F.3 of the contract. Operational Guidance is provided in the Statement of Work. Clarification or application of contract responsibilities with respect to the task outlined in the contract may be obtained from Sharon Zavestoski MS/OP/ENI/NIS.

## **VI TERMS OF PERFORMANCE**

a. The effective date for the assessment team to begin work is the date of signing and acceptance of the attached Purchase Order by AGRIDEC. The completion date for this purchase order contract is October 31, 1996.

## **VII THE BUDGET**

The contractor shall be paid the fixed price of \$49,000.00 for completion of the statement of work and receipt of reports as stated herein.

## **VIII PAYMENT**

(1) Payment will be made to AGRIDEC upon (a) receipt of the final report and (b) approval by the Project Officer that the report is acceptable to USAID/Albania. This is a firm fixed-price purchase order.

(2) All costs will be paid in accordance with the United States Prompt Payment Act upon submission of proper invoice along with Project Officer certification that completed work is acceptable. Payment will be in US Dollars, by check.

(3) Two copies of final invoice should be submitted to  
USAID REGIONAL FINANCIAL MANAGEMENT CENTER  
AMERICAN EMBASSY BUDAPEST  
DEPARTMENT OF STATE  
WASHINGTON D C 20521-5270

- 8 Determine if the project design was appropriate and if resources provided were appropriate to the level of the technologic development of Albania
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USAID REGIONAL FINANCIAL MANAGEMENT CENTER  
AMERICAN EMBASSY BUDAPEST  
DEPARTMENT OF STATE  
WASHINGTON D.C. 20521-5270

## PURCHASE ORDER TERMS AND CONDITIONS

### 52 252-2 CLAUSES INCORPORATED BY REFERENCE (Apr 84)

This contract incorporates the following clauses by reference with the same force and effect as if they were given in full text. Upon request the Contracting Officer will make their full text available.

### FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) CLAUSES

- 52 203-1 Officials Not to Benefit (Apr 84)
  - 52 203-3 Gratuities (Apr 84)
  - 52 203-4 Covenant Against Contingent Fees (Apr 84)
  - 52 212-9 Variation in Quantity (Apr 84)
- (In the preceding clause, the permissible variations are stated in the schedule)
- 52 222-3 Convict Labor (Apr 84)
  - 52 222-4 Contract Work Hours and Safety Standards Act - Overtime Compensation - General (Apr 84)
  - 52 222-26 Equal Opportunity (Apr 84)
  - 52 222-36 Affirmative Action for Handicapped (Apr 84)
  - 52 222-40 Service Contract Act of 1965 Contracts \$2500 or less (Apr 84)
  - 52 222-41 Service Contract Act of 1965 (Apr 84)
  - 52 225-3 Buy American Act - Supplies (Apr 84)
  - 52 232-1 Payments (Apr 84)
  - 52 232-8 Discounts for Prompt Payment (Apr 84)  
(with Alternate 1)
  - 52 233-1 Disputes (Apr 84)
  - 52 243-1 Changes - Fixed Price (Apr 84)
  - 52 249-1 Termination for Convenience of the Government  
(Fixed Price) (Short Form) (Apr 84)

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ANNEX 2

LIST OF PEOPLE CONTACTED  
DURING THE EVALUATION



## PEOPLE CONTACTED

Babb, Emerson M Ph D  
Professor Emeritus  
Purdue University and University of Florida  
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Balliu, Astrit  
Pedagogue  
Department of Vegetable Crops  
Agricultural University of Tirana  
Tirana, Albania

Beka, Ismail Dipl Ing  
Director Agriculture Program Office  
Ministry of Agriculture and Food  
Tirana, Albania

Bezham, Alfred  
Head, International Affairs  
Agricultural University of Tirana  
Tirana, Albania

Caca, Agif  
Director, Firma Mireli  
(Dairy processor and ABC client)  
Kavaja Albania

Canko Agim Dr  
Agricultural Research Institute  
Lushnja Albania

Civici, Adrian  
Dean, Agricultural Faculty  
Agricultural University of Tirana  
Tirana, Albania

Dahri Fahir  
General Director of Economic Department  
Ministry of Agriculture and Food  
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Dani, Vablona  
Marketing Research Specialist  
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Tirana, Albania

De Boer, A John  
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Rr Asim Zeneli, Nr 7  
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Dhimitri Nikolla  
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Dishnica Tatjana Dr  
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Ministry of Agriculture and Food  
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Dushniku, Frida  
Director, Service of Statistics and Information  
Ministry of Agriculture and Food  
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Freeman, Claude  
Marketing/Training Specialist  
IFDC-Albania  
Rruga "Mihai Duri" 17/5  
Tirana, Albania

Gace, Miranda  
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Society for Democratic Culture  
Bul "Deshmoret e Kombit" No 97  
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Gallani Kristaq  
Partner Shpiragu Co  
Berati Albania  
(Fruit processor and ABC client)

SS

Ibrahimllari Luan  
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Agricultural University of Tirana  
Tirana Albania

Ismaili Hairi Dr  
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Vlora, Albania

Jorghi, Kristaq  
Project Manager (Agriculture)  
USAID/Albania  
Qendra Nderkombetare Kultures  
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Kita, Ledia  
Project Officer  
Agribusiness Center  
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Tirane Albania

Koroveshi, Eleonora  
Sector Promotion  
SARA AgriBusiness Center  
Rr Kongresi i Permetit 120/1  
Tirane Albania

Kraynik, Roger  
AUT Advisor  
SARA Project  
Agricultural University of Tirana  
Tirana Albania

Gentry David  
Country Director  
Albanian-American Enterprise Fund  
Rruga Islam Alla, Nr 70  
Tirana, Albania

Giantris, Kristin  
Country Representative, Albania  
Volunteers in Overseas Cooperative Assistance (VOCA)  
Rr Jul Variboba Nr 6  
Tirana Albania

Grimditch, Gloria G  
U S Treasury Advisor  
Ministry of Finance  
Bulevard "Deshmoret e Kombit"  
Tirana, Albania

Hackaj, Ibrahim  
Project Officer  
World Bank Resident Mission  
Deshmoret e 4 Shkurtit No 34  
Tirana Albania

Haelili Mr  
Government of Albania  
Minister Without Portfolio  
Tirana Albana  
(Previous Minister of Agriculture, until 5/96)

Hambley Diane Ph D  
Director in Residence  
University of Nebraska-University of Tirana  
First Floor-Faculty of Economics  
Business Assistance Center  
Tirana Albania

Henao Julio M  
Senior Scientist - Biometrician  
International Fertilizer Development Center (IFDC)  
Muscle Shoals, Alabama 35662

Kristuli, Niko  
Director Erika  
Fiere, Albania  
(Pig farmer and ABC client)

Kruse, Greg  
Agribusiness Development Specialist  
SARA Project  
Rr Kongresi i Permetit Nr 120/1  
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Kunkel, David E PhD  
Senior Policy Agricultural and Research Advisor  
SARA Project  
Rr Asim Zeneli, Nr 7  
Tirana, Albania

McDonell Larry  
Trade Policy Advisor  
Ministry of Industry and Trade  
Tirana Albania

Mengjesi, Valentina  
Project Administrator  
SARA Project  
Rr Asim Zeneli, Nr 7  
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Mertens Frank Erich  
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58

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Chief, Department of Agricultural Economics and Rural Development  
Agricultural University of Tirana  
Tirana Albania

Pavaci, Robert  
Project Officer  
Agribusiness Center  
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Pepa Bahri  
Private farmer  
Lushnja area, Albania

Petri, Dhimiter  
Extension Agent  
Ministry of Agriculture and Food  
Lushnja, Albania

Ramaj Petril  
Rector  
Agricultural University of Tirana  
Tirana, Albania

Reed, Elaine L  
Agribusiness Organization and Marketing Analyst  
IFDC-Albania  
Rruga "Mihai Duri" 17/5  
Tirana Albania

Rustemi, Meritam  
Director Firma Rustemi  
Fiere Albania  
(Pastry manufacturer and ABC client)

ANNEX 3

DOCUMENTS REVIEWED

Salko, Drini  
Pedagogue in Money and Banking  
Department of Farm Management  
Agricultural University of Tirana  
Tirana Albania

Thirkell, Russell K  
Chief of Party  
Small Business and Micro-Enterprise Development (SMEDA) Project  
Rruga Deshmoret E 4 Shkurtit  
Palate 7, Apt 4  
Tirana, Albania

Topi Bamir Prof Dr  
Member of Parliament (M P)  
Minister of Agriculture and Food  
Ministry of Agriculture and Food  
Tirana, Albania

Velica, Rezika  
Marketing and Public Relations  
SARA AgriBusiness Center  
Rr Kongresi i Permetit 120/1  
Tirane, Albania

Wagner Deborah  
Program Manager International Development  
Land O'Lakes Inc  
Rruga "Gjin Bue Shpata" Pallatet e Aviacionit, Hyrje 7  
Aneksi Ville, Tirana, Albania

Warnaars, Casper  
Senior Operations Officer  
World Bank Resident Mission  
Deshmoret e 4 Shkurtit No 34  
Tirana, Albania

Zanin Bruce  
Director  
U S Peace Corps  
Tirana Albana



## LIST OF DOCUMENTS REVIEWED

### A Background Documents

*Albanian Land Market Action Plan Purposes Achievements Lessons* Ahmet Jazoj, D Stanfield and T Barry 1996

*Consolidating Property Rights in Albania's New Private Farm Sector* D Stanfield, S Lastarria-Cornhiel, J Bruce and E Friedman 1992

*Creation of Albanian Land Markets* J D Stanfield and M Raco 1994

*Albania - Agriculture An Agenda for Action* Joint publication - The World Bank and EC Phare Program 1992

*Republic of Albania - Results of the 1994 Special Agricultural Survey*, Ministry of Agriculture and Food, Service of Statistics and Information, April 1995

*Agricultural Production in Albania Socioeconomic Survey 1993-1994* IFDC and MOAF, prepared by Julio Henao, 1994

*Staff Appraisal Report Albania Irrigation Rehabilitation Project, Report No 12609-ALB* The World Bank 1994

*Albania Agro-Processing Development Project, Staff Appraisal Report IDA R95-156[SAR]*, International Development Association 1995

*US Development Assistance for Albania* USAID/Tirana 1996

*Albanian Agriculture today* D E Kunkel 1996

*Public Investment Program* Government of Albania 1996

*Albania CIM Main Mission--September 1996 Aide Memoire* World Bank 1996

*Albania AU News* World Bank Central Europe and Urban Development Operations Division Spring 1995

*The Year 2000 Vision for The Albanian Farmer* H Halili MOAF Translated from Rilindjes Demokracia April 18 and 19, 1996

*Agricultural Trade Policy in Albania During the Transition Period 1991-1995* MOAF/AUT Draft version 1996

*The Albanian Agricultural Sector in Transition* F Dahri 1996

*Special Programme for Food Security in Albania* FAO Working Paper 1996

B Project and Project-Related Documents

*Review of Progress in Restructuring the Economics and Finance Directorate* SARA Project  
January, 1996

*Special Report SARA-AUT Project Project Inputs and Accomplishments, 1 January, 1994  
through 30 September 1996* SARA-AUT Project 1996

*1994 National Agricultural Survey Results* MOAF 1995

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ANNEX 4

GENERAL CHARTS AND FIGURES

Figure II

### Flour Mill

#### Background

BEREQI TI Flour's Mill started up by July 15 1994. This was the first private commercial flour mill constructed by private sector in Albania. The flour mill is completed with Italian equipment with some pieces from Albanian mechanical industry. Total investment is evaluated at 220 000 \$ US. Mr. Krasniqi spent all the money in possession and was dealing with wheat from local farmers. Theoretical capacity is 30 tons/day, but he was milling only 1 ton/day. The price taken for 1 ton of wheat was 2 500 lek. Even though the price of milling was double comparing with local mills, the quality of flour made a big difference for them, so they were sending all to the BEREQI TI.

With the money made from this activity, he started to buy wheat from state inventory at 8 200 lek/ton and sell flour to the private bakeries in Durrës and Tirana at a price 23 000 lek/ton. It was not only a big margin, but according to the analysis we made in Tirana Food Institute, was a good quality. There were three employees working and the capacity of production was increased 10 tons/day. The wheat taken at the state stores was stock of EU aid programs and it was not good quality because of poor condition storage and other issues.

#### ABC assistance

- During the assessment period conducted by ABC staff and SARA MoAF, we saw the opportunities for that kind of business and after the analysis was good and with technical assistance from two American experts Arthur Hibs and Dick Marvin, the business plan was prepared that was needed for Albanian Banks and foreign financial institutions.

- The total financing to be required was evaluated at 150 000 US \$. From that figure, 100 000 US \$ was to be used for working capital and 50 000 US \$ for constructing a new storehouse.

- The best credit line at that period was ASAK World Bank credit, so we decided to follow that one. The interest rate was 24% per year for a term of 7 years.

- We fought together with the owner to get it done for 5 months, because bureaucracy and corruption existed even though the collateral submitted was two times more than the fund required.

- We helped him to prepare and find 24 documents needed from the bank.

- The loan is approved only for working capital because of the RCB policy. So he took only 100 000 US \$ for a period of time 7 years with the same interest rate.

- Improving the management was the first thing that we did, especially having him not doing everything himself as he was doing. Now he has hired a production manager, an economist, a marketing director, etc.

#### Actual situation

- BEREQI TI has been working for two years at a full capacity of 30 tons/day.

- There are 12 employees currently working.

- The product is sold every day because of its good quality.

- He has paid already 85 000 US \$ or 85% of the loan and has his own money for the working capital. Also he is looking for another investment, but we suggested to use the money for a big quantity, possibility of importing wheat in conjunction with other private entrepreneurs.

#### Benefits from ABC assistance

- Instead of working and growing step by step with his own money when the market existed, raw material, etc. He profited in time and made money.

- He wants to collaborate with us because money was not so convenient at the beginning and he did not understand the cash flow statement. This made him afraid of paying back the high interest rate.

- He is a member of AJADA now and wants to collaborate with the other members.

- Our day by day assistance helped him to take the loan without paying fees!

Provided information on wheat prices and best offers around.

Figure III

The client	<b>Durres Feed Mill</b>
Name	<b>Igli Cela</b>
Location	<b>Durres</b>
Activity	<b>Livestock feed</b>

#### **Background**

Durres feed mill was a former state enterprise that produced livestock feed for different former state owned livestock complexes. The feed mill was privatized by Mr. Cela on November 1993.

For a period of time (6 months) they were producing feed for two former state owned poultry farms. When the poultry farms were privatized like other complexes had been in Albania, production stopped because of the lack of a market.

Durres feed mill has a production capacity of 30 tons per day.

They asked for ABC assistance on September 1994.

#### **ABC assistance**

- During that period we were analyzing the market in Macedonia for the cognac factory, so we made another assessment of the feed mill industry and the situation of livestock complexes.
- Created contacts with different state and private businesses there.
- Knowledge of laws and regulations in Macedonia.
- Provided a connection with the Bitola poultry farm and an agreement for selling feed.
- Enhanced opportunities to buy raw materials in Macedonia, connecting them with the biggest pharmaceutical plant in Balkan area called "ALKALOID".
- Providing experts for improving technology.
- We facilitated contacts between Albanian Savings Bank and Macedonian Bank for transactions like letter of credit because at that time every agreement was made by cash, creating many problems for both borrower and lender.
- Contracted people from custom office to facilitate the bilateral activities.

#### **Results**

We analyzed feed in Albania and found it to be O.K. But after their own analyses, the Macedonian side refused the product because it was contaminated!

- We suggested to them to either improve the silos' conditions or to analyze raw materials coming from the Albanian side, but Mr. Cela at that time did not want to invest money and time because he had other trade businesses.
- An agreement was made between two banks. The problem is solved that existed between two countries because of their trade activities having been conducted in cash.
- Durres feed mill bought premises from Alkaloid for the local market.
- They have decided to restart the activity for the local market and asked us for assistance, especially for finding raw materials such as soybean, premix, etc.
- He has already started to produce for others and wants our assistance for his poultry business of 5,000 layers which he has already constructed.

Figure IV

Name **Firm RUSTEMI**  
Location **Rr. Muharrem Agolli, Fier**

Rustemi's firm was established in March 1991 in their apartment building. It became a limited partnership in May 1995 and currently owns a pastry making unit, a bar and two shops in Fier. They began by preparing and selling confectionery products in Fier and are now producing 22 different types of pastry, ice-cream and gelatin products which are delivered to 160 bars and restaurants in Tirana, Durres, Kavaja, Lushnja, Vlora, Lezha and Fier. It began as a family business and now is one of the biggest and most successful businesses in Albania in pastry and ice cream production.

ABC has helped Rustemi by: (1) collecting information on foreign firms that manufacture ice cream and pastry equipment (mainly Italian firms); (2) arranging a trip to Italy for the president of the firm together with two ABC staff members for equipment purchasing; (3) preparing a business plan for the expansion of the business; (4) training the firm's bookkeeper; (5) conducting a market survey in Tirana, Fier, Kavaja and Durres; (6) finding an ice cream consultant to design the new line for producing packaged ice cream; and (7) preparing advertisements and facilitating firm participation for the firm.

The business has experienced significant change from July 1995. At the end of 1995 the total assets of Rustemi totaled 30 774 000 lek (approximately 306 000 USD) and by July 31 268 000 (approximately 311 000 USD). Total revenues for 1996 (comparing the same periods) shows an increase of 26%. The owner's equity in January 1995 was 2 000 000 lek and by January 1996 had increased to 5 000 000. The number of employees began at 10 and has reached 30, excluding the employees working in the new bar in August 1996. The firm is paying regularly its loan and has no other debts.

With the help of the ABC, the Rustemi purchased new equipment that brought an increase in production and types of products. The survey carried out by the ABC served indirectly as an advertisement for the firm and helped it to expand the market for its products in the cities of Tirana, Durres and Kavaja. The training of the bookkeeper enabled Rustemi to maintain clear and consistent records for the business.

**Figure VI**

Client Company **FRENSISS**  
Entrepreneur **Genci Dibra**  
Business Location **Farke, TIRANE**  
Business Orientation **Pork Production**

IRENSISS started its main activities several years ago which are import-export of foodstuff industrial commodities and different kinds of equipment and machinery. As the trading activities undertaken by this company proved effective and successful, consideration was given to the setting up of a small swine breeding complex. For this reason, a 1900 square meter facility was rented for a period of 20 years. This facility comprises a swine barn of 700 square meters and other supporting facilities. A warehouse was set up for the feed to be stored and processed. The main objective of IRENSISS is to have a 40-50 sow herd plus off-spring to supply fresh pork to the market. So far, the company has invested US \$ 40 000 and has applied for a US \$ 80 000 loan from ASAK which will be used for the expansion of the business in the near future.

#### **The Assistance and Support provided by the ABC**

- Market Research
- Swine barn reconstruction designs
- Installation of an updated and functional technology
- Assistance in equipment procurement
- Assistance in breeding stock procurement
- Foodstuff resources sourcing
- Breeding, farrowing and production cycles and schedules
- Animal health
- Identification and Training of the animal health management specialist
- Training of the Company's Accountant
- Development of the business plan and other credit application documentation
- Assistance in developing the set of documentation required by relevant institutions to issue the business license

#### **The current situation**

- Within a short period of time this company carried out the business plan put together by the ABC. Five employees have been already hired and the company is now ready to start up.
- The application for a US \$ 80 000 loan was approved by the ASAK, owing to ABC's negotiations with this institution.

#### **The Company's gains from the ABC's assistance**

- The swine barn was designed for a 70 sow herd in order for the company to be able to carry out a business expansion plan in the future.
- The company's staff was trained especially in business management issues.
- The credit applied for at ASAK was obtained due to ABC's assistance in negotiations with this institution.
- The entrepreneur is interested in keeping in continuous touch with the ABC for development and implementation in the near future of an expansion plan.
- The ABC will give continuous assistance to the Company in raw material & breeding stock sourcing and procurement.



Figure V

Client	<b>Firm "ERIKA"</b>
Owner's name	<b>Nikolla Kristuli</b>
Location	<b>Roskovec, Fieri District</b>
Activities	<b>Swine complex</b>

Mr Kristuli has a swine complex with 8 barns and a warehouse. He uses 10 ha of land for planting the maize. He started with 38 sows and 2 boars in April 1994.

Number of employees: 6 (six)

According to demand, he has been selling a pig of 100 kg per week (i.e. 70 kg of pig meat per week)

What did the ABC do for the client?

1. We made a business plan for the expansion of the firm which included short term and long term objectives, a detail of the company expansion in phases and a market analysis.
2. We proposed a new technology of Breeding and Rearing and Current targeted production schedules, veterinary care and medication, inputs supply (we suggested him to plant maize), building equipment and infrastructure and the balance sheet, etc.
3. At the same time we made a survey for selling live pigs in Fieri and other districts like Miloti, Lezha, Shkodra. In Vlora and Fieri we made surveys on the sales of pork products.
4. From December 1995 until January - February 1996, while working with the firm Erika, we made the experiment of pig supplements in feeding two groups of pigs. Since that time, Niko Kristuli has become an Al BAMERA supplement buyer.
5. We also helped him to work with the other swine firm, Fiensis, who had bought 20 sows and 20 gilts from Erika a month ago.

How did the clients' business change since the ABC began working with him?

Erika firm has available 55 sows and approximately 400 market hogs which are planned to be brought to market by the month of December 1996.

The client has about 30 000 USD of debt. By the end of this year he has the possibility of profiting 40 000 USD.

Each week the Erika firm sells 2 pigs (i.e. 150 kg of pig meat/week) due to market demands.

How did the client benefit from the ABC assistance?

1. From our assistance the client poses a new breeding technology.
2. We convinced him to plant maize in his land and he agreed to continue planting it.
3. He has some difficulty in finding feed recourse but he always uses supplement in feeding his pigs.

**Figure VII**

The Company	<b>KAMBERI</b>
Name	<b>Ferdinand Kamberi</b>
Location	<b>VLORA</b>
Activity	<b>Swine Complex</b>

**Background**

KAMBERI is a big Albanian company that started a trade and tourism business at the end of 1991. They have imported pork meat, eggs, and salmon from Greece. During the privatization phase of 1994, they privatized different former state livestock complexes in Vlora. They started with a small swine operation of 30 sows at September 1994. We contacted them during the assessment phase that ABC conducted. According to their request for technical assistance, we started collaborating.

**ABC assistance**

- Market survey for pork meat and special pieces of pork meat
- Technical assistance on growing pigs
- Test control of Moringa seed provided by Albamerica
- Business Plan for extending swine operation

**Actual Situation**

- KAMBERI Company is now the biggest swine operation in Albania with 600 sows.
- They have around 65 employees in the swine business
  - We wanted to present the BP prepared for the AAEF for a possible investment or loan, but they did not separate the livestock activity from other activities they have.
  - They are borrowing money in the street with an interest rate between 8-10 % per month!
  - They are convinced that the supplement from Albamerica is their best opportunity for feed supply, so they are buying some quantities from them.
  - They have also two poultry farms (layers) and one feed mill.
  - They are also dealing with different activities such as restaurants, bars, tourism, hotels, etc.

**The benefits from ABC assistance**

- As a result of the market survey, they decided to expand the swine operations.
- They have employed many people in that business.

We stopped working with them because it was their idea to borrow money in the road for different businesses, so the problems dealing with them are very complicated.

**Figure VIII**

### **The 3 Partners Cognac Factory**

3 Partners, formerly called Skenderbeg Cognac, was privatized in November 1994. Three partners, all politically persecuted persons, used their vouchers<sup>7</sup> and the vouchers of approximately 250 other persecuted persons to purchase the alcoholic beverage manufacturing facility. Historically, the facility produced cognac (its flagship product) and a few other popular spirits, but privatization enabled product expansion. New products include chocolate liquor, mint liquor, and almost 25 other alcoholic beverages.

- the chaotic state of production (new product development using old equipment)
- \$650,000 debt to the group of persecuted persons
- no specifically identified nor segmented domestic market for all the products, and
- the factory management's desire to export quality cognac at nominal prices

The Agribusiness Component of the SARA Project entered into agreement with 3 Partners to analyze and assemble a strategy to facilitate the organized growth of their business. A short-term foreign advisor was brought in to work with two Albanian ABC staff members to complete the study. The work was rendered over a 3-month period, with the Albanian staff following up for an additional 2 months. In total, SARA ABC provided consulting services for an approximate 5-month period, from August to December 1995.

Outputs from the assistance included a written comprehensive marketing program and technical assistance in managing the implementation of the marketing program. This program directed the organization, among many other things, to reduce its product development, which diminishes the established reputation of the cognac product, to spend more management energy on the implementation of a domestic sales program, and to pursue a limited number of importer/distributors from Italy and Germany.

The results from the ABC contribution led directly or indirectly to the factory's paying of its \$650,000 debt in full by February 1996; a focused product line which enabled the firm to meet the demand requirements from a German importer that now imports 3.5 tons of 3 Partners cognac per month; multiple financial explanations of liner cost functions that provided a different pricing system was necessary, allowing more suitable prices and a clearer understanding of profit margins and volume discounting potential; a non-statistical consumer and trade (retailer level) market study to determine demand of which products to support the recommendation to focus on one product line; and other recommendations such as distribution vehicle purchase (approved), literature development (not utilized), which make a separation between 12-year and 3-year cognac (approved).

It is the opinion of the ABC that technical assistance as outlined above cannot be realized within a 2, 3, or 6-month period. The results of development consulting have residual effect. While week-to-week contact no longer exists with this firm, the ABC receives updates on the progress of the business, and it appears that the consultation provided will continue to benefit 3 Partners into the future.

<sup>7</sup> Vouchers are cash substitute documents that reflect the fair value of land previously owned by Albanians. It represents the government's attempt to reinstate privately owned land. Most Albanians use the vouchers to purchase available state-operated factories.

Figure IX

I Client the Shpiragu firm

The owner's name Kristaq Gallani

Location Uznove Berat

Activity Dried fig and fruit processing and olive preserving

Number of Employees During the whole year he employs 10 people

At peak periods of the year the number of employees rises to 300 (Yearly harvesting and processing time, especially for dried figs)

Our project's assistance consisted in that we advised them to increase their business stage by stage (In several phases) We have suggested to them to purchase dried fig packing equipment We have also helped them in finding a fruit processing line - mainly for jam and marmalade We have constantly found clients for them people who are interested in buying their products At the Agro-food fair in Tirana we presented their firm at our booth due to which there were several more requests by people interested in the firm's products We have provided them with complete information on machinery and equipment for fig packaging Therefore they are able to choose for themselves

As soon as possible we will be carrying out a full study on their business and possibilities of its expansion The business plan we are going to draft for them will assist them in finding the best and most efficient way of growing their business Since they are interested in establishing a joint venture we will try to find someone from abroad interested in such an enterprise

Figure X

The client	<b>Flynn Rainbow Nurseries</b>
Name	<b>Donald Flynn</b>
Activity	<b>Commercial ornamental plants business</b>

#### **Introduction**

An American businessman Mr Flynn from the Flynn Rainbow Nurseries company located in California and Oregon in the United States, has contacted the ABC office to assist him in starting up a wide scale commercial horticulture agri-business

At the above mentioned places the Flynn company owns 125 hectares of land including 100 hectares of pebbly land (small sized) and 10 hectares of greenhouses

Capital assets are worth \$ 13 million and its annual activities amount to \$ 16 million in sales

Mr Donald Flynn Chairman and shareholder of most of the company's shares has been studying the European market and Middle East for the last couple of years

Convinced in the market he has started taking into consideration the appropriate place to start his investment. He assessed highly the Butrinti area in Saranda district Albania since according to certain parameters the zone is similar to the area of California where his business is located

Mr Flynn has pinpointed 50 hectares of agricultural land and a 33 hectares hill quadrant which he is interested in negotiating to purchase or lease

#### **ABC assistance**

- We provided him with general information about the area and climate

We wrote proposal papers to the Ministry of Agriculture and Food in Albania also to the appropriate people at the district level

- Mr Flynn came to Albania in September-October 1995 and we facilitated contacts with US Embassy personnel the existing Minister of Agriculture and Food and other Institutions at the district level

\* We analyzed his strengths as training small contracts with regional farmers marketing and exports infrastructure development employment transfer of technologies and long term business

- Also we found the weaknesses of the project to be land distribution land allocation quadrant and land allocated to the specialists

- We provided to him and to the Albanian Institutions recommendations for the immediate and long term

- We gathered the pertinent legal documents such as Civil Code Law for land the Law on Foreign Investment buying and selling agriculture land meadows and pastures buying and selling building sites and the Amendment for Leasing Agriculture land

- We are still proposing to him different opportunities and contacting people from the MoAF beginning from the Minister who had promised to give us an immediate answer about the lease price for the land and the way to finish this as soon as possible

The process continues

Figure A1

## Required End of Project Status and Component Outputs

<p>End of Contract Status</p> <ol style="list-style-type: none"> <li>1 Public Sector capacity to undertake policy research, analysis and formulation and to implement such policies is strengthened</li> <li>2 The private, public and university sectors work together to develop and cost effectively disseminate improved and environmentally sound agricultural technologies</li> <li>3 The public sector's capability to support the process of privatizing agro-industrial and marketing activities is improved</li> <li>4 Private sector entrepreneurial skills and networks among agribusiness entrepreneurs are developed and strengthened and</li> <li>5 The Agricultural University of Tirana (AUT) will have (i) re-oriented its curriculum to meet the changing needs of a competitive international market economy, (ii) upgraded its training programs and laboratory and library facilities and (iii) improved its ability to contribute to policy and agronomic research through linkages with the MOAF, US universities and international agricultural research centers</li> </ol>		
<p>Policy and Agricultural Research</p> <ol style="list-style-type: none"> <li>1 Analysis and formulation by Albanians of policies which address priority sectoral, institutional and technological issues reflecting food security and the agricultural restructuring process in Albania</li> <li>2 Adoption and effective implementation of Project generated policy recommendations</li> <li>3 Increased agricultural production and marketed output due to adoption of improved policies generated from Project analyses</li> <li>4 An evaluation of agricultural technology needs in Albania and the screening and adapting of appropriate technologies which can be readily imported to meet those needs</li> <li>5 An action plan for developing a cost effective agricultural research and dissemination system in Albania with a particular emphasis on assessing the scope for a private sector led technology development and dissemination system</li> <li>6 Adoption by at least 3,000 farm households of environmentally sound productivity enhancing technologies developed and disseminated as a result of this contract</li> <li>7 Implementation of agricultural sampling surveys three times annually beginning in Year 2 (may include satellite imagery when approved by the USAID COIR)</li> <li>8 Design and implementation by Year 2 of a cost effective agricultural information system and</li> <li>9 On the job training of at least 100 enumerators and database managers, short term training of at least 34 MOAF analysts and long term training of at least 4 MOAF professionals</li> </ol>	<p>Agribusiness Development</p> <ol style="list-style-type: none"> <li>1 Agroindustry and commodity systems Action Plans which focus on the transformation of strategic enterprises and the development of competitive commodity markets in collaboration with MOAF</li> <li>2 Through post privatization technical assistance enable the viable development of private enterprises within the targeted agroindustry sectors and commodity systems</li> <li>3 Replacement by the private sector of a number of public sector agro processing and marketing activities within the context of the agroindustry sector and commodity system Action Plans adopted by the MOAF</li> <li>4 Short term training in Albania of at least 500 Albanian agribusiness entrepreneurs, policy makers and university faculty in the principles of agroindustry and market development and agribusiness planning and implementation, long term (1-2 years) advanced training in the US of at least 3 professionals from the MOAF, the AUT and/or the private sector and short term training (&lt;1 year) in the US of 5 agribusiness professionals</li> <li>5 Establishment of information exchange networks among Albanian organizations and agribusinesses and between them and Albanian/American organizations and US trade associations and agribusinesses</li> <li>6 Increased trade, investments and joint ventures between US and Albanian agribusinesses</li> </ol>	<p>AUT</p> <ol style="list-style-type: none"> <li>1 Redesigned curriculum and research plans in at least 12 subject areas which are appropriate to the agricultural sector needs of Albanian's emerging market economy</li> <li>2 Graduate degree (2 year) training of at least 6 AUT faculty members and short term training in the US for at least 12 faculty members</li> <li>3 Identification, prioritization and partial procurement of library and laboratory resource needs</li> <li>4 Involvement of AUT faculty in at least 10 economic policy research and 10 agronomic/livestock research activities of the MOAF</li> <li>5 Involvement of the AUT in local short term training courses on agribusiness related areas</li> </ol>

ANNEX 5

AGRIBUSINESS PROGRAM ACCOMPLISHMENTS

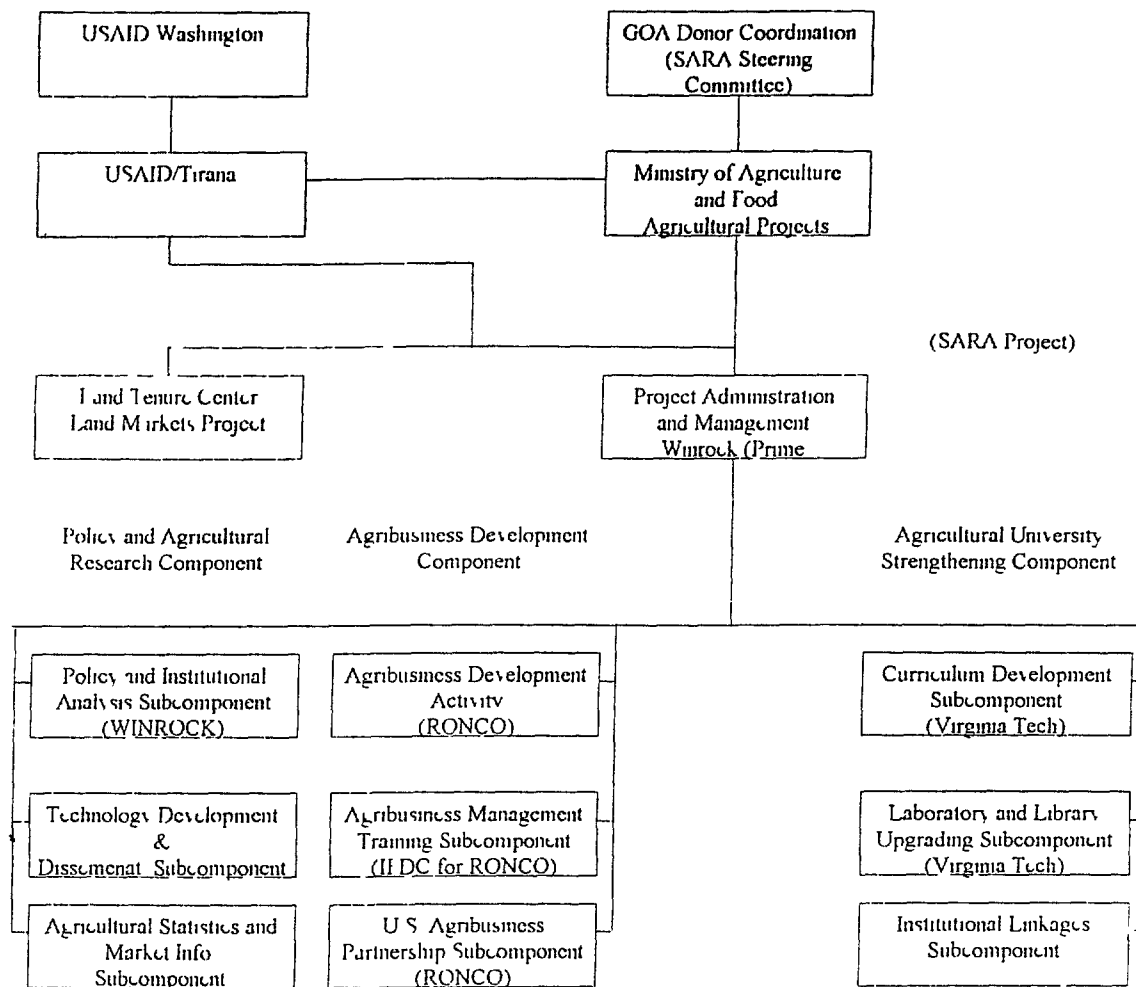
Figure I

## Agribusiness Development Component Outputs

Outputs In Original Contract	Outputs In Current Contract
<b>Output 1</b> An Action Plan with regular updates, and legislation to guide the process of privatizing major MOAF-owned agri-industrial enterprises	<b>Output 1</b> Agroindustry and commodity systems Action Plans which focus on the transformation of strategic enterprises and the development of competitive commodity markets in collaboration with MOAF
<b>Output 2</b> Adoption by policy makers of the recommendations proposed in the above-mentioned Action Plan	<b>Output 2</b> Through post-privatization technical assistance, enable the viable development of private enterprises within the targeted agroindustry sectors and commodity systems
<b>Output 3</b> Replacement by the private sector of a number of public sector agri-processing and marketing activities	<b>Output 3</b> Replacement by the private sector of a number of public sector agri-processing and marketing activities within the context of agroindustry sector and commodity system Action Plans adopted by the MOAF
<b>Output 4</b> Short-term training in Albania of at least 500 Albanian agribusiness people and long term (2 years) advanced training in the U S of at least four professionals from the MOAF/DOP, the Agricultural University at Tirana, and/or the private sector	<b>Output 4</b> Short-term training in Albania of at least 500 Albanian agribusiness entrepreneurs, policy makers, and university faculty in the principles of agroindustry and market development and agribusiness planning and implementation, long-term (1-2 years) advanced training in the U S of at least 3 professionals from the MOAF the AUT and/or private sector and short term training(< 1 year) in the U S of 5 agribusiness professionals
<b>Output 5</b> Establishment of information exchange networks among Albanian agribusinesses and with U S agribusiness firms, cooperatives and trade associations	<b>Output 5</b> Establishment of information exchange networks among Albanian organizations and agribusinesses, and between them and Albanian/American organizations and U S trade associations and agribusinesses
<b>Output 6</b> Increased trade, investment, and joint ventures between U S and Albanian agribusinesses	<b>Output 6</b> Increase trade, investment, and joint ventures between U S and Albanian agribusinesses



Figure II CENTRAL FEATURES AND ACTORS IN THE STRUCTURE OF THE SARA PROJECT



ANNEX 6

SARA TRAINING PROGRAMS

## Chart I

## AGRIBUSINESS TRAINING ACTIVITY

### *SARA Agribusiness Training Seminar Series* Success Stories

SARA Project's training program branded as the *SARA Agribusiness Training Seminar Series* was conceived to provide in-country training of at least 500 agribusiness people. In short, the *Seminar Series* is a compilation of 28 agribusiness courses ranging from Financial Statement Analysis to Understanding Strategic Marketing Management. To elicit as much foreign project interaction as possible, it was determined to assess their situation first. This would provide an understanding of what type and to what degree of intensive training would be necessary for their staff members or clients. With this information, SARA contractors were able to better design the training program. In doing this, several NGOs based in Tirana, Albania's capital, became tremendously interested in the training. The most ardent NGO supporter of the training program is Land O' Lakes. The success of collaboration with just this one foreign project yields the following:

*SIRI Agribusiness Training Seminar Series* reaches 12 staff members from Land O' Lakes:

- ☐ One of the LOL staff trains 15 women in the dairy sector
- ☐ Each of those 15 women trains approximately 50 other women
- ☐ These 750 (15 x 50) women reach in the end a dairy sector of about 5 000 women

The *SIRI Agribusiness Training Seminar Series* has trained over 604 agribusiness people as of 29 May 1996. Due to an increasingly strong reputation and support from participating NGOs, it is anticipated that the training will reach over 1 200 people directly by the end of August 1996. Objective feedback is received from post-presentation questionnaires. Cumulative findings indicate the following:

86.5% of respondents claim that their level of knowledge increased much or very much due to the seminars.

72.0% claim they will use the concepts presented much or very much, and

71.9% claim that they are able to well or very well explain the concepts presented to others.

Qualitative interpretations are extracted directly from the surveys. Comments are extremely positive, such as in the ensuing example:

I will be able to present [to] others the need and the priority of why the customers should buy my products because now I am clearer as to how I should do this.

-Anonymous *Agribusiness Structures* presented on 12 April 1996

Prepared on 30 May 1996

Table J SARA PROJECT IN-COUNTRY TRAINING REPORT - AUGUST 1996

ABC Component

Date(s)	ABC Component Training Program	No. of Forums / Seminars / Workshops / Classes	Trainers / Facilitators	Location	Participants / Target Audience
Dec 1994	<u>The Albanian Milk/Dairy Industry Commodity System</u> (results of assessment of milk supply, dairy processing, marketing and financing constraints and opportunities presented)	4	ABC Staff ABC LT Advis ABC ST Cons C. Finnegan P. Savello	Tirana, Korça and Lushnja	Private and Public Sector participants in the ABC assessment
Oct-Nov 1994	<u>Commodity System Agroindustry and Agribusiness Assessments</u> (field research methods, data assembly and analysis and report preparation training plus applied field work)	5 (plus multiple field trips for on the job training)	ABC Staff AUI Staff	Tirana ABC Office and the AUT Campus	AUI, MOAF, Research Institute and ABC Personnel
	<u>Market Surveys</u> (field research methods and data analysis training plus applied field work)	8	ABC Staff AUT Staff	Tirana ABC Office	AUI Faculty, Students and ABC Staff
March-April 1995	<u>SARA/MOAF Policy Training Seminars</u> (agribusiness development and the role of government, collaborative effort with SARA/MOAF advisors)	3	ABC LT Adv ABC Staff	Durres, Lezhe and Saranda	District Office MOAF Personnel
April 1995	<u>Albanian T V Documentary Film: Making Agriculture, Albania's Business</u> (Three part 90 minute film on Albanian agricultural commodity systems, markets and agroindustry development in collaboration with Albanian T V)	3 (national T V and agricultural fair airings)	ABC Staff John Mattson	Albania wide and neighboring countries	General Public and Albanian/American Organizations
Feb 1995	<u>The Albanian Finance Sector</u> (field research assessment of the status of Albanian and donor credit programs and loans to select agribusinesses, review of all finance sector legislation, legal and economic analysis of issues affecting establishment of private financial institutions, participation in MOAF credit committee on agricultural finance and preparation of MOAF report on agricultural credit)	12 (plus multiple field research trips)	ABC Staff AUT Pedagogues	Tirana, Kruja, Durres, Berat, Iqaz, Shkodra, Elbasan, Korça, Kavaja, Lushnja, Fier, Vlora	Entrepreneurs, bankers, AUT, MOAF, Donor Representatives and ABC Staff
August 1995	<u>Agroindustry Privatization Assessment</u> (field research and legal assessment of the status of past and envisioned privatization of state agricultural enterprises, evaluation of select privatized enterprises)	4 (plus multiple field research trips)	ABC Staff AUT Pedagogues	Tirana, Berat, Durres, Berrut, Laknas	AUI and ABC Staff
Mar 18-23 1996	<u>Developing Agribusiness Trade Associations</u> (The role associations have at the government level and the private sector)	7	Richard Gibson Shaw B. Hodobashi	Shkodra, Tirana, Elbasan, Fier, Berat, Korça	MOAF and AIADA Dealers

Table I

## SARA PROJECT IN-COUNTRY TRAINING REPORT - AUGUST 1996

Date(s)	ABC Component Training Program	No of Forums / Seminars / Workshops / Classes	Trainers / Facilitators	Location	Participants / Target Audience
April-June 1996	<u>The Art of Marketing</u> (weekly train-the trainers program for marketing text to be added as course curriculum at the AUT)	Once weekly through August 1996	Elaine Reed B Hodobashi	AUT Campus AUT Faculty MOAF Conf Room	
Jan 1995 - present	<u>English Language and Technical Report Preparation Training</u> (TOEFL level instruction in verbal and written English and comprehension on the job practicums in preparing and translating English language technical reports training in oral presentation of technical reports training seminars for entrepreneurs and MOAF district offices)	Twice weekly language training for entire group over 7 months tutorials for individual participants multiple training seminars	John Mattson	Tirana Kruja Saranda Fier Durrës Korça	AUT and IFDC Staff Albanian Agricultural Journalists ABC Staff

Table I

## SARA PROJECT IN-COUNTRY TRAINING REPORT - AUGUST 1996

SSI Component

Date(s)	SSI Component Training Program	No of Forums / Seminars / Workshops / Classes	Trainers / Facilitators	Location	Participants / Target Audience
<b>TECHNICAL UPGRADING</b>					
a 1995	1 Training in Basic Sampling Theory a Course Development	a Two months	a Statistical Consultant	Tirana	a Central Office Personnel / 12 Partic
b 1995/1996	b Follow up Training	b 3 courses each of 2 weeks duration	b Central Office Person	Tirana & Durres	b Prefecture/District Personnel / 72 Partic
a1 Sept/Oct 1994 a2 Julv 1995 - Jan 1996 Julv 1996 b Feb/March 1995	2 Training in Use of Computer Software Packages  a Training in Use of User Friendly Data Entry/Edit Summarization Package  b Training in Canned Programs	a1 One month  a2 Two weeks  b One month	a1 Computer Programming Consultant  a2 SSI Computer Programmer  b SSI Computer Programmer	Tirana  Tirana  Tirana	a1 Central Office Personnel / 1 Partic  a2 Prefecture Personnel / 9 Partic  b Prefecture Personnel / 26 Partic
Feb/March 1995	3 Training in GIS for Developing Area Frame/Selecting Sample	One month	NASS Experts	Not Completed	Central Office / District Personnel
<b>ON-THE-JOB TRAINING</b>					
Julv/Nov 1994	1 Questionnaire Design/Specifications of Computer Edits/Specifications of Summary Tables	Four months	SARA Advisor	Tirana + in the field	Central Office Personnel (other personnel as required/available) / 9 Participants
Dec 1994 Sept 1995	2 Management of Data Processing / Summarization	Nine months	SARA Advisor	Tirana	Central Office Personnel
<b>ENGLISH TRAINING</b>					
Aug 1994 (continue as needed)	1 Training in English to Upgrade Skills Prior to Receiving U S Training	Continuing	Faculty of Foreign Lang U of Tirana	Tirana	Central Office and District Personnel / 84 Participants

## SARA PROJECT IN-COUNTRY TRAINING REPORT - AUGUST 1996

## AUT Component

Date(s)	AUT Training Program	No of Forums / Seminars / Workshops / Classes	Trainers / Facilitators	Location	Participants / Target Audience
June 1995	1 Computer Literacy and Word Processing	3 weeks 4 hours a day	Intosoft Tirana	Company facilities	3 Print Shop Employees
June 1995	2 Computer Literacy and Spread Sheets	3 weeks 4 hours a day	Intosoft Tirana	Company facilities	2 AUT Staff
June 1995	3 Computer Based Layout & Graphics and Press Operations	7 weeks	AUT Consult Terry Thornsb Janet Town		3 Print Shop Employees
Julv Aug 1995	4 Computer Literacy & Microsoft Windows	4 weeks	AUT Consult Jerry Spittle Victoria Burnet Artan Cami ICS Staff		16 AUT Pedagogues Economics Department
Jan 1995 April 1996	6 English Course -Beginners -Intermediate -Advanced -TOEFL -GRE -Listening and Pronunciation -Academic Writing		English Teacher A. Thanati H. Meinzer M. Brici	AUT Classroom	188 partic 38 34 40 26 6 14 30
March April 95	Computer Course a Beginners	8 weeks	Mirela Nocka Albanian Instructor SARA Project	AUT Classroom	54 Particip
May June 96	b Intermediate	6 weeks			12 Library Staff 10 Library Staff 32 AUT Pedagogues Economic Dpt
Jan March 96	c Advanced Programs Word 6.0 Excel 5.1 Windows	14 weeks			

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Table I:

## SARA PROJECT IN-COUNTRY TRAINING REPORT - AUGUST 1996

## Agricultural Policy and Research Component

Date(s)	Ag Policy and Research Training Program	No of Forums / Seminars / Workshops / Classes	Trainers / Facilitators	Location	Participants / Target Audience
April 1995	1 Workshop Program on - The role of the Ministry Marketing - Agribusiness	3	AP Advisor Daniel Taylor ABC Compon	Durres-Central Sec Lezhe - North Saranda - South	Commune Level Economics Personnel of MOAF / 100
Nov 1995	2 Marketing Seminar The seminar reviewed weekly market price collection & covered a number of marketing topics		AP Advisor	Tirana	District Marketing Specialist
April 1996	3 Workshop Program on Developing the Supply of Information to Farmers and Agribusinesses By and Through the National Media The Roles of Government, the National Media, and Donors	1	Merita Janushi Scot Wakeman	Tirana	MOAF, Agribusiness Research Extension / 50 Partic



Table III continued

## SARA SHORT TERM TRAINING REPORT - SEPTEMBER 1996

Component	Current Status as of October 1996	Date Departed	Date Returned	Person Months Used	Projected Additional Months	Projected Use By New Partip Trainees	TOTAL
AUT	1 Luljeta Mazniku VPI	01 Apr 94	01 May 94	1 00			1 00
	2 Floresha Nasho VPI	20 Feb 95	01 May 95	2 30			2 30
	3 Nesret Cikalleshi VPI	20 Feb 95	Not returned	2 30			2 30
	4 Parashqevi Rrapo VPI	01 Mar 95	21 Mar 95	1 00			1 00
	5 Kristaq Pata Colorado	15 May 96	16 Jun 96	1 00			1 00
	6 New trainee					4 00	4 00
	7 New trainee					4 00	4 00
	8 New trainee					4 00	4 00
	9 New trainee					4 00	4 00
	10 New trainee					4 00	4 00
	11 New trainee					4 00	4 00
	12 New trainee					4 00	4 00
Amount of training provided to date under this component (person months)							7 60
Total amount of training planned by the end of the SARA Project under this component (person months)							35 60
Total number of people to be trained by the end of the SARA Project under this component (persons)							12 00
ABC	1 Miranda Bimo	02 Aug 96	Continuing	2	2	0	4 00
	2 Ismail Beka	23 Aug 96	30 Aug 96	0 25	0	0	0 25
	3 Eleonora Koroveshi			0	0	4	4 00
	4 New Intern			0	0	4	4 00
	5 Rezi Velica	02 Aug 95	31 Oct 95	3	0	0	3 00
	6 Gazmend Xhelilaj	02 Aug 95		0	0	0	0 00
	7 Artur Latifi	02 Aug 95	30 Sept 95	2	0	0	2 00
	8 Elmira Banaj	02 Aug 95	30 Sept 95	2	0	0	2 00
Amount of training provided to date under this component (person months)							9 25
Total amount of training planned by the end of the SARA Project under this component (person-months)							19 25
Total number of people to be trained by the end of the SARA Project under this component (persons)							8 00
<b>PROJECT TOTALS</b>							
Amount of training provided to date under this component (person months)							50 10
Total amount of training planned by the end of the SARA Project under this component (person months)							88 10
Total number of people to be trained by the end of the SARA Project under this component (persons)							57 00

SARA LONG TERM TRAINING REPORT - SEPTEMBER 1996

Component	Current Status	Date Departed	Returned	Person months used	Projected Additional Months	Projected Use By New Participating Trainees	
							Total
AP +SSI	1 Greta Sfecu VPI	15 Sept 1995	Mar 1996	7.5	0		7.5
	2 Alban Hobdari VPI	15 Sept 1995	Continuing	13	9		22
	3 Violeta Manushi VPI	12 Aug 1995	Continuing	2	14		16
Amount of training provided to date under this component (person months)							22.5
Total amount of training planned by the end of the SARA Project under this component (person months)							45.5
Total number of people to be trained by the end of the SARA Project under this component (persons)							
ABC	1 Eduard Zaloshnja V	1 Sept 1994	30 Aug 1995	12			12
	2 Zana Kruja VPI	1 Sept 1994	30 Aug 1995	12			12
	3 Li Korra will use one year training in 1997 Wisconsin				12		12
Amount of training provided to date under this component (person months)							24
Total amount of training planned by the end of the SARA Project under this component (person months)							36
Total number of people to be trained by the end of the SARA Project under this component (persons)							3
AUT	1 Arben Vercuni VPI	16 Jan 1995	Continuing	21	3		24
	2 Rushan Halili VPI	15 Sept 1995	Continuing	13	11		24
	3 Lefter Daku VPI		Continuing	13	11		24
	4 Elvis Petrela WSU		Continuing	13	11		24
	5 Tefik Skera VPI		continuing	9	15		24
	6 Open					12	12
	7 Open					12	12
Amount of training provided to date under this component (person months)							69
Total amount of training planned by the end of the SARA Project under this component (person months)							144
Total number of people to be trained by the end of the SARA Project under this component (persons)							7
Total Project							
Amount of training provided to date for the entire project (person months)							115.5
Total amount of training planned by the end of the SARA Project (person months)							225.5
Total number of people to be trained by the end of the SARA Project (persons)							13

Table III

## SARA SHORT TERM TRAINING REPORT - SEPTEMBER 1996

Component	Current Status as of October 1996	Date Departed	Date Returned	Person Months Used	Projected Additional Months	Projected Use By New Partip Trainees	TOTAL
Ag Policy + Research	1 Harun Haruni Colorado	15 May 95	16 Jun 95	1 00			1 00
	2 Fahri Dari Colorado	15 May 95	16 Jun 95	1 00			1 00
	3 Pavli Gjika Colorado	15 May 95	16 Jun 95	1 00			1 00
	4 Gezim Como Colorado	15 May 95	16 Jun 95	1 00			1 00
	5 Vjolca Zhulla Colorado	15 May 95	16 Jun 95	1 00			1 00
	6 Beatrice Bezhani Colorado	15 May 95	16 Jun 95	1 00			1 00
	7 Fahri Dahri Oregon State	06 Jul 96	01 Aug 96	0 75			0 75
	8 Ernest Dosti Oregon State	06 Jul 96	01 Aug 96	0 75			0 75
	9 Julinda Mane Oregon State	06 Jul 96	01 Aug 96	0 75			0 75
	10 Besnik Gazheli Oregon State	06 Jul 96	01 Aug 96	0 75			0 75
	11 Hajrie Mbrati Oregon State	06 Jul 96	01 Aug 96	0 75			0 75
	12 Myfit Isufaj Oregon State	06 Jul 96	01 Aug 96	0 75			0 75
	13 Ermal Hoxha Oregon State	06 Jul 96	01 Aug 96	0 75			0 75
	14 Tibeti Curciali Oregon State	06 Jul 96	01 Aug 96	0 75			0 75
	15 Tatiana Dishnica Oregon State	10 Aug 96	15 Sept 96	1 25			1 25
	16 Irgan Tarelli Oregon State	10 Aug 96	15 Sept 96	1 25			1 25
	17 Ilir Sallaku Oregon State	10 Aug 96	15 Sept 96	1 25			1 25
	18 Myslym Osmani	19 Oct 96	05 Nov 96	0 50			0 50
	19 Fatos Harzaj	19 Oct 96	05 Nov 96	0 50			0 50
	20 Abdyl Sinani	19 Oct 96	05 Nov 96	0 50			0 50
	21 Fatos Cocoli	19 Oct 96	05 Nov 96	0 50			0 50
Amount of training provided to date under this component (person-months)							17 75
Total amount of training planned by the end of the SARA Project under this component (person months)							17 75
Total number of people to be trained by the end of the SARA Project under this component (persons)							21 00
Statistics	1 Shkelqim Agolli NASS	10 Oct 96	27 Oct 94	0 50			0 50
	2 Alfred Sopi NASS	10 Oct 96	27 Oct 94	0 50			0 50
	3 Margarita Kokona NASS	10 Oct 96	27 Oct 94	0 50			0 50
	4 Ilirian Bimo NASS	10 Oct 96	27 Oct 94	0 50			0 50
	5 Arjan Karaj Kansas State	30 May 96	06 Jul 96	1 25			1 25
	6 Margarita Kokona Kansas State	30 May 96	06 Jul 96	1 25			1 25
	7 Rakita Basha Kansas State	30 May 96	06 Jul 96	1 25			1 25
	8 Arjan Metohu Kansas State	30 May 96	06 Jul 96	1 25			1 25
	9 Rexhina Marjani NASS	31 May 96	06 Jul 96	1 25			1 25
	10 Frida Dushniku NASS	31 May 96	06 Jul 96	1 25			1 25
	11 Minever Rusi Wash DC	13 Sep 96	13 Oct 96	1 00			1 00
	12 Zamir Beliu Wash DC	13 Sep 96	13 Oct 96	1 00			1 00
	13 Eleni Guga Wash DC	13 Sep 96	13 Oct 96	1 00			1 00
	14 Zana Gurakuqi Wash DC	13 Sep 96	13 Oct 96	1 00			1 00
	15 Potikseni Milo Wash DC	13 Sep 96	13 Oct 96	1 00			1 00
	16 Adrian Isallari Wash DC	13 Sep 96	13 Oct 96	1 00			1 00
Amount of training provided to date under this component (person months)							15 50
Total amount of training planned by the end of the SARA Project under this component (person months)							15 50
Total number of people to be trained by the end of the SARA Project under this component (persons)							16 00